# ORIGINAL

**FOLEY & LARDNER LLP** 1 2029 CENTURY PARK EAST, SUITE 3500 LOS ANGELES, CA 90067-3021 TELEPHONE: 310.277.2223 2 FACSIMILE: 310.557.8475 3 ROBERT C. LEVENTHAL, BAR NO. 119969 JAMES D. NGUYEN, BAR NO. 179370 LOS ANGELES SUPERIOR COURT 4 ATTORNEYS FOR PLAINTIFF JUL 2 1 2006 TRANS CONTINENTAL RECORDS, INC. 5 John A. Clarke, Executive Onicer/Clerk

By Deputy 6 7 8 SUPERIOR COURT OF THE STATE OF CALIFORNIA 9 FOR THE COUNTY OF LOS ANGELES 10 CENTRAL DISTRICT CASE NO: BC 349317 TRANS CONTINENTAL RECORDS, 11 ASSIGNED TO THE HONORABLE INC., A FLORIDA CORPORATION, **ERNEST HIROSHIGE** 12 PLAINTIFF. PLAINTIFF'S APPENDIX OF 13 **DECLARATIONS AND EXHIBITS IN** VS. OPPOSITION TO MOTION TO 14 AARON C. CARTER, AN INDIVIDUAL, DISMISS OR, IN THE ALTERNATIVE, 15 STAY THE ACTION FOR FORUM NON-CONVENIENS DEFENDANT. 16 17 DATE: August 3, 2006 TIME: 8:30 A.M. PLACE: DEPT, 54 18 19 20 21 22 44 123 224 27 28

PLAINTIFF'S APPENDIX OF DECLARATIONS AND EXHIBITS CASE NO. BC349317

Plaintiff Trans Continental Records, Inc. submits the following declarations and exhibits in opposition to Aaron Carter's motion to dismiss, or motion to stay for forum non-conveniens.

# **DECLARATIONS**

 Declaration of Michael Ferderigos
 Declaration of Gary Kurtz
 Declaration of Darren Chiappetta
Declaration of James Nguyen

# **EXHIBITS**

NO.	DESCRIPTION	
A	Exclusive Recording Artist Agreement	
В	Petition to Approve Contract of Minor	
С	Letter Agreement to Trans Con giving Parental Consent	
D	Robert Carter Parental Consent Declaration	
E	Aaron Carter Consent Declaration	
F	Aaron Carter, Robert Carter, & Louis Pearlman Waivers	
G	Certified Copy of Birth Certificate of Aaron Carter	
Н	Order Approving Contract of Minor	
I	Krandorf's Declaration	
J	Trustee's Statement	
K	4/20/99 Letter re Carter's Disaffirmance with Trans Con	
L	4/02/99 Letter re Disaffirmance with Trans Con /Edel Records	
M	1/25/06 Letter from Holland + Knight	

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PLAINTIFF'S APPENDIX OF DECLARATIONS AND EXHIBITS CASE NO. BC 349317

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NO.	DESCRIPTION
N	3/06/06 Letter from Holland + Knight
0	Complaint in this Action
P	Florida Complaint
Q	Order Denying Stay and Denying Carter's Injunction Request in Florida Action
R	Minute Order Denying Approval of the Personal Management Agmt.
S	Walt Disney Records Order Approving Contract with Carter in CA
T	None of the Above Order Approving Contract with Carter in CA
U	Carter's Emergency Motion for Injunction in Florida Action
V	Carter's Performance and Business Calendar from Trans Con
W	Web pages re: Carter Activities
X	Verification of Petition to Approve Contract of Minor
Y	Copy of E-mail Chain re Accepting Service of Summons/Complaint
Z	Copy of E-mail and Response Confirming Service of Complaint

DATE: JULY 21, 2006

FOLEY & LARDNER LLP ROBERT C. LEVENTHAL JAMES D. NGUYEN

By:

ATTORNEY FOR PLAINTIFF
TRANS CONTINENTAL RECORDS, INC.

1 2	FOLEY & LARDNER LLP 2029 CENTURY PARK EAST, SUITE 3500 LOS ANGELES, CA 90067-3021 TELEPHONE: 310.277.2223 FACSIMILE: 310.557.8475		
3	JAMES D. NGUYEN, BAR NO. 179370		
4	ATTORNEYS FOR PLAINTIFF		
5	TRANS CONTINENTAL RECORDS, INC.		
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8	SUPERIOR COURT OF T	THE STATE OF CALIFORNIA	
9	FOR THE COUNTY OF LOS ANGELES		
10	CENTRAL DISTRICT		
11	TRANS CONTINENTAL RECORDS,	) CASE NO: BC 349317	
12	INC., A FLORIDA CORPORATION,	) ASSIGNED TO THE HONORABLE ERNEST HIROSHIGE	
13	PLAINTIFF, VS.	DECLARATION OF MICHAEL	
14	AARON C. CARTER, AN INDIVIDUAL,	FERDERIGOS IN OPPOSITION TO DEFENDANT'S MOTION TO DISMISS	
15	DEFENDANT.	OR STAY	
16	DEI ENDAMI.	DATE: August 3, 2006 TIME: 8:30 a.m.	
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27	The attached declaration is a duplicate of support Plaintiff's ex parte application for	Mr. Ferderigos' declaration submitted to	
28	support Plaintiff's ex parte application for preliminary injunction.	a temporary restraining order and OSC re:	
	DECLARATION OF MICHAEL FERDERIGOS CASE NO. BC349317		

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# I, Michael Ferderigos, declare and state as follows:

- I am an attorney at law, duly licensed to practice before the courts of the State of Florida. I am counsel for plaintiff Trans Continental Records, Inc. ("Trans Continental"), the plaintiff herein. I have personal knowledge of the facts contained herein. If called upon to testify, I could and would competently testify thereto.
- 2. In 2005, Trans Continental was represented by California attorney W. Gary Kurtz (CSB#57546) in a matter regarding the Exclusive Artist Recording Agreement ("Recording Agreement") between Trans Continental and artist Aaron Carter ("Carter"). A true and correct copy of the Recording Agreement is attached hereto as Exhibit "A."
- 3. Because Carter was a minor at the time he entered into the Recording Agreement with Trans Continental, Trans Continental, by and through attorney W. Gary Kurtz, petitioned this Court to approve the Recording Agreement. On February 22, 2005, Trans Continental filed a Petition to Approve Contract of Minor in this Court. A true and correct copy of the original Petition is attached hereto as Exhibit "B."
- 4. Trans Continental chose to submit the Recording Agreement to this Court because Carter would be performing the majority of his contract in Los Angeles County, California.
- 5. Trans Continental's principal office in California for the transaction of business is located in Los Angeles County, California.
- 6. Trans Continental received letter from Robert Carter stating that he was Aaron's parent or legal guardian, that Aaron was a minor, and that Robert Carter would cooperate with Trans Continental by signing any documents requested in connection with any proceeding to obtain judicial approval of the Recording Agreement. Robert Carter also indicated that he would provide his consent, when needed, and would act in Aaron Carter's behalf. A true and correct copy of the letter from Robert Carter, as I received it, is attached hereto as Exhibit "C."
  - 7. At Trans Continental's request, Robert Carter executed a Parental Consent

declaration indicating that he consented to a court order setting aside and preserving, for Aaron Carter's benefit. fifteen percent (15%) of Aaron Carter's net earnings under the Recording Agreement, to be put in a trust fund or savings as ordered by the court. A true and correct copy of Robert Carter's parental consent form is attached hereto as Exhibit "D."

- 8. At Trans Continental's request, Carter executed a Consent declaration indicating that he consented to a court order setting aside and preserving, for his benefit, fifteen percent (15%) of his net earnings under the Recording Agreement, to be put in a trust fund or savings as ordered by the court. A true and correct copy of Carter's consent form is attached hereto as Exhibit "E."
- 9. Aaron Carter, Robert Carter, and Louis J. Pearlman all executed a Waiver indicating that each respective individual waived further notice, to the fullest extent permitted by law, of the hearing on the Petition to Approve Contract of Minor and indicating that each respective individual consented to the issuance of an Order of this Court approving the Recording Agreement. True and correct copies of each individual waiver is attached hereto as Exhibit "F."
- 10. On April 20, 2005, Trans Continental, by and through attorney W. Gary Kurtz. filed a Certified Copy of Birth Certificate of Aaron Carter with this Court. A true and correct copy of the original Certified Copy is attached hereto as Exhibit "G."
- 11. Also on April 20, 2005, Trans Continental, by and through attorney W.

  Gary Kurtz, submitted an Order Approving Contract of Minor to this Court. The Order was signed by the Honorable Robert Schnider, indicating that the Recording Agreement was approved as to all of its terms and conditions. A true and correct copy of the original Order is attached hereto as Exhibit "H."
- 12. Pursuant to the Order, Trans Continental coordinated with Carter's financial institution. Bank of America. in California where Carter decided the required fifteen percent (15%) deduction from the gross earnings payable by Trans Continental to and/or for Carter's services under the Recording Agreement would be deposited. A copy

of the corresponding Trustee's Statement is attached hereto as Exhibit "J." Carter disaffirmed a previous Exclusive Artist Recording Agreement with Trans Continental that was executed on November 10, 1997. Trans Continental received

attached hereto as Exhibit "K."

notice of Carter's decision to disaffirm by a letter from his attorney. This letter is

- Carter also disaffirmed an Executory Contract with Edel America Records 14. dated October 16, 1998. A copy of the letter from Carter's attorney indicating Carter's decision to disaffirm is attached hereto as Exhibit "L."
- Trans Confinental received two letters from Carter's Florida counsel 15. regarding Carter's decision to disaffirm the Recording Agreement. The first letter (dated January 25, 2006) informed Trans Continental that Carter reached the age of majority and reserved his rights to disavow all agreements entered into while he was a minor. A copy of this letter is attached hereto as Exhibit "M". The second letter (dated March 6, 2006) informed Trans Continental that Carter hereby disaffirmed all agreements with Trans Continental that were entered into while he was a minor. A copy of this letter is attached hereto as Exhibit "N".
- After Carter disaffirmed the Recording Agreement at issue in this dispute, Frans Continental sought to protect its rights under the Recording Agreement and its investment in Carter by initiating a declaratory action in this Court.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 24 day of June, 2006 at Orlando, Florida.

MICHAEL FERDERIGOS

DECLARATION OF MICHAEL FERDERIGOS CASE NO. BC 349317

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**FOLEY & LARDNER LLP** 1 2029 CENTURY PARK EAST, SUITE 3500 LOS ANGELES, CA 90067-3021 TELEPHONE: 310.277.2223 2 TELEPHONE: FACSIMILE: 310.557.8475 3 JAMES D. NGUYEN, BAR NO. 179370 4 ATTORNEYS FOR PLAINTIFF TRANS CONTINENTAL RECORDS, INC. 5 6 8 SUPERIOR COURT OF THE STATE OF CALIFORNIA 9 FOR THE COUNTY OF LOS ANGELES 10 CENTRAL DISTRICT CASE No: BC 349317 11 TRANS CONTINENTAL RECORDS. ASSIGNED TO THE HONORABLE INC., A FLORIDA CORPORATION, 12 ERNEST HIROSHIGE PLAINTIFF. 13 DECLARATION OF W. GARY KURTZ VS. IN SUPPORT OF PLAINTIFF'S 14 AARON C. CARTER, AN INDIVIDUAL, MEMORANDUM OF POINTS AND 15 AUTHORITIES AND OPPOSITION TO DEFENDANT. MOTION TO DISMISS OR, IN THE ALTERNATIVE, STAY THE ACTION 16 FOR FORUM NON-CONVENIENS 17 DATE: August 3, 2006 TIME: 8:30 a.m. 18 PLACE: Dept. 54 19 20 21 22 123 124 28 DECLARATION OF W. GARY KURTZ

CASE NO. BC349317

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- 1. I am an attorney at law, duly licensed to practice before the courts of the State of California (CSB#57546). I am a practitioner in the Law Offices of W. Gary Kurtz in Westlake Village, California, and previously served as counsel for Trans Continental Records, Inc. ("Trans Continental"), the plaintiff herein. I have personal knowledge of the facts contained herein. If called upon to testify, I could and would competently testify thereto.
- 2. I represented Trans Continental in a matter regarding the Exclusive Artist Recording Agreement ("Recording Agreement") between Trans Continental and artist Aaron Carter ("Carter"). Because Carter was a minor at the time he entered into the Recording Agreement with Trans Continental, I personally drafted a petition asking this Court to approve the Recording Agreement. On February 22, 2005, I filed the Petition to Approve Contract of Minor ("Petition") in this Court. The validity of the Recording Agreement is at issue in this case. A true and correct copy of the original Petition is attached hereto as Exhibit "B."
- 3. Although I represented Trans Continental throughout the process of petitioning the court and securing a court order approving the Recording Agreement, at no time throughout the process did I have direct contact with Robert Carter or Aaron Carter. I also did not take part in the negotiation or execution of the Recording Agreement itself.
- 4. I am the attorney who prepared and filed, as an attachment to the Petition, a Waiver declaration for Louis J. Pearlman, indicating that he was aware that the Petition was being filed, that he waived further notice, to the fullest extent permitted by law, of the hearing on the Petition to Approve Contract of Minor, and that he consented to the issuance of an Order of this Court approving the Recording Agreement. A true and correct copy of the waiver, signed by Louis Pearlman, is attached hereto as Exhibit "F."
  - 5. I am the attorney who prepared and filed, as an attachment to the Petition.

the Verification of Petition to Approve Contract of Minor that was signed by Gregory McDonald as the corporate representative of Trans Continental. A true and correct copy 3 of the Verification of Petition, signed by McDonald, is attached hereto as Exhibit "X." 6. I worked with Trans Continental representatives or attorneys while drafting 4 and coordinating the Petition for filing. Trans Continental sent me all of the executed 5 exhibits and the verification, which were all attached to the Petition and filed along with it as Exhibits thereto. 7 On April 20, 2005, in furtherance of judicial approval of the Recording 8 7. 9 Agreement, I filed a Certified Copy of Birth Certificate of Aaron Carter with this Court. A true and correct copy of the original Certified Copy is attached hereto as Exhibit "G." 10 11 8. Also on April 20, 2005, I submitted an Order Approving Contract of Minor, which I personally drafted, to this Court. The Order was signed by the Honorable Robert Schnider, indicating that the Recording Agreement was approved as to all of its terms and 13 14 conditions. A true and correct copy of the original Order is attached hereto as Exhibit 15 "H." 16 17 I declare under penalty of perjury under the laws of the State of California that the 18 foregoing is true and correct. Executed this 21st day of July, 2006 at Westlake Village, California. 19 20 21 Q 23 23 26 24 至25 26 27 28

**FOLEY & LARDNER LLP** 1 2029 CENTURY PARK EAST, SUITE 3500 LOS ANGELES, CA 90067-3021 310.277.2223 TELEPHONE: FACSIMILE: 310.557.8475 3 JAMES D. NGUYEN, BAR NO. 179370 4 ATTORNEYS FOR PLAINTIFF TRANS CONTINENTAL RECORDS, INC. 5 6 7 8 SUPERIOR COURT OF THE STATE OF CALIFORNIA 9 FOR THE COUNTY OF LOS ANGELES CENTRAL DISTRICT 10 TRANS CONTINENTAL RECORDS. ) Case No: BC 349317 11 ASSIGNED TO THE HONORABLE INC., A FLORIDA CORPORATION, **ERNEST HIROSHIGE** 12 PLAINTIFF, DECLARATION OF DARREN 13 CHIAPPETTA IN SUPPORT OF VS. PLAINTIFF'S MEMORANDUM OF 14 POINTS AND AUTHORITIES AND AARON C. CARTER, AN INDIVIDUAL, OPPOSITION TO MOTION TO DISMISS 15 OR, IN THE ALTERNATIVE, STAY THE DEFENDANT. ACTION FOR FORUM NON-16 **CONVENIENS** 17 DATE: August 3, 2006 TIME: 8:30 a.m. 18 PLACE: Dept. 54 19 20 21 22 23 24 25 26 27 28 DECLARATION OF DARREN CHIAPPETTA SUPPORTING PLAINTIFF'S OPPOSITION TO MOTION TO DISMISS

CASE NO. BC349317

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I, Darren Chiappetta, declare and state as follows:

- 1. I am an attorney at law, duly licensed to practice before the courts of the State of Florida. I am an associate in the law firm of Foley & Lardner LLP, counsel for plaintiff Trans Continental Records, Inc., the plaintiff herein. Foley & Lardner LLP is also counsel for Louis J. Pearlman, and Louis J. Pearlman Enterprises, Inc. ("LJPE"), additional plaintiffs joined in Aaron Carter's Florida Action regarding these same matters. I have personal knowledge of the facts contained herein. If called upon to testify, I could and would competently testify thereto.
- 2. I am aware of and have full knowledge of Trans Continental Records, Inc.'s ("Trans Con") filing of a Complaint for Declaratory Relief with this Court on March 21, 2006. Trans Con is seeking a court declaration that the Exclusive Recording Artist Agreement ("Recording Agreement") between Trans Continental and Aaron Carter ("Carter"), which was judicially approved by Order of this Court on April 20, 2005, is and shall remain valid and binding against Carter.
- 3. Prior to its submission of the Recording Agreement to this Court for judicial approval, LJPE and Robert Carter, Carter's father and guardian ad litem, filed a petition to this Court for the approval of a Personal Management Agreement ("PMA"). As the declaration of Jeffrey Kranzdorf (former counsel for LJPE) indicates, the declaration was submitted in order to address whether the PMA would be subject to approval in accordance with California Family Code § 6750. The declaration also stated that throughout the Recording Agreement negotiations, Carter was independently represented by Derek Saltzman, an experienced music business attorney licensed to practice in the State of Florida. Kranzdorf's declaration was filed with this Court on or about September 29, 2004. A true and correct copy of Kranzdorf's declaration is attached to the plaintiff's memorandum in opposition to motion to dismiss ("Motion") as Exhibit "I."

- 4. I am the attorney who prepared the Order for the July 6, 2006 Florida combined hearing on Carter's Emergency Motion for Temporary Injunction to enjoin Trans Con from continuing this California cause of action and on Trans Con's (along with LJPE and Louis J. Pearlman) Motion to Dismiss or Stay the Florida Action. On July 17, 2006 Judge Roche from the Ninth Circuit Court in Orange County, Florida ordered that Trans Con's motion was denied and that Carter's emergency motion for injunctive relief was denied without prejudice. Judge Roche, aware that this Court would be hearing this present California Motion to Dismiss on August 3, 2006, specifically noted that she wanted to wait to hear what this Court determines at that hearing before any further actions or decisions would take place in the Florida Action. A true and correct conformed copy of this Order is attached to the Motion as Exhibit "Q."
- 5. Michael Friedman, an earlier New York attorney that represented the Trans Con family of companies, provided to this current team of Florida and California Trans Con counsel two prior Orders by this Court indicating that Carter has had, at least, two similar agreements approved by this Court when he was a minor. A true and correct copy of this Court's Order approving the Carter and Walt Disney Records agreement is attached to the Motion as Exhibit "S." A true and correct copy of this Court's Order approving the Carter and None of the Above, Inc. agreement is attached to the Motion as Exhibit "T."
- 6. As co-personal Managers of Aaron Carter based on the PMA, LJPE and Robert Carter (through LJPE) kept a basic computer-based calendar, showing Carter's work schedule. LJPE sent me a copy of this calendar and highlighted all of the days that Carter worked or performed other contractual obligations within the State of California (with descriptions of the work/performances noted). When I received the calendar, I went through it to count the number of days that Aaron Carter spent in California. According to the calendar, from May 2004 until August 2005, Carter was present in California for fifty-four (54) days. A true and correct copy of Carter's schedule, as it was sent to me from LJPE, is attached to the Motion as Exhibit "V."

	1	7. Based on general entertainment news and knowledge, I was aware that				
	2	Carter was launching a new reality television series with his brother, Nick Carter. Based				
	3	on that knowledge I engaged in internet-based research to determine what the show was				
	4	about, when it would air, and if Carter spent time in California associated with the show.				
	5	What I discovered is the show, "House of Carters" will air on E! starting in October				
	6	2006. The show is filmed from Nick Carter's California home, and recent press				
	7	conferences regarding the show have taken place in California. A true and correct copy				
	8	of the website pages of "HouseOfCarters.com" as of 7/19/06 is attached to the Motion as				
	9	Exhibit "W." Carter's last known address given to Trans Con was in Marathon, Florida.				
	10	To demonstrate that Florida is more inconvenient than California (since Carter is or has				
	11	been there recently in order to film the show House of Carters), I accessed a mileage				
	12	calculator website (www.symsys.com), which determined that Marathon, FL is				
	13	approximately 264 miles from Orlando, FL. A copy of the website page, as it appeared				
	14	when I did the calculation, is also attached to the Motion as Exhibit "W."				
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	16	I declare under penalty of perjury under the laws of the State of California that the				
	17	foregoing is true and correct.				
	18	Executed this 21 day of July, 2006 at Orlando, Florida.				
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**FOLEY & LARDNER LLP** 1 2029 CENTURY PARK EAST, SUITE 3500 LOS ANGELES, CA 90067-3021 2 TELEPHONE: 310.277.2223 FACSIMILE: 310.557.8475 3 JAMES D. NGUYEN, BAR NO. 179370 4 ATTORNEYS FOR PLAINTIFF TRANS CONTINENTAL RECORDS, INC. 5 6 7 8 SUPERIOR COURT OF THE STATE OF CALIFORNIA 9 FOR THE COUNTY OF LOS ANGELES 10 CENTRAL DISTRICT CASE No: BC 349317 TRANS CONTINENTAL RECORDS. 11 ASSIGNED TO THE HONORABLE INC., A FLORIDA CORPORATION, **ERNEST HIROSHIGE** 12 **DEPT. 54** PLAINTIFF, 13 DECLARATION OF JAMES NGUYEN VS. IN SUPPORT OF PLAINTIFF'S 14 MEMORANDUM OF POINTS AND AARON C. CARTER, AN INDIVIDUAL, AUTHORITIES AND OPPOSITION TO 15 DEFENDANT. MOTION TO DISMISS OR, IN THE ALTERNATIVE, STAY THE ACTION 16 FOR FORUM NON-CONVENIENS. 17 DATE: August 3, 2006 8:30 a.m. TIME: 18 PLACE: Dept. 54 19 20 21 <sub>\$22</sub> \$23 £24 £24 27 28 DECLARATION OF JAMES NGUYEN SUPPORTING PLAINTIFF'S OPPOSITION TO MOTION TO DISMISS

CASE NO. BC349317

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I am an attorney at law, duly licensed to practice before the courts of the 1. State of California. I am a partner in the law firm of Foley & Lardner LLP, counsel for plaintiff Trans Continental Records, Inc. ("Trans Con"), the plaintiff herein. I have personal knowledge of the facts contained herein. If called upon to testify, I could and would competently testify thereto.

PERSONAL MANAGEMENT AGREEMENT

2. The Exclusive Artist Recording Agreement ("Recording Agreement") references a Personal Management Agreement ("PMA") entered into between Louis J. Pearlman Enterprises ("LJPE") and Robert Carter with Aaron Carter, resulting in Louis J. Pearlman (on behalf of LJPE) and Robert Carter acting as Co-Managers for Aaron Carter. Prior to submitting the Recording Agreement to this Court for judicial approval under California Family Code section 6751, LJPE and Robert Carter submitted the PMA to this Court for judicial approval under the same statute in Los Angeles Superior Court Case No. BS 090645, Louis J. Pearlman Enterprises v. Aaron Carter. I had a copy of the September 29, 2004 minute order from that case obtained from the court file, and it is attached hereto as Exhibit R. According to the minute order, Judge Aviva Bobb of this Court denied approval of the PMA, based on the fact that a PMA is not the type of agreement described in California Family Code section 6750.

THIS ACTION

3. On behalf of Trans Con, I filed this action on March 21, 2006. A true and correct copy of the complaint in this action is attached hereto as Exhibit O. In this action, Trans Con seeks declaratory relief from this Court that its December 7, 2004 Recording Agreement with music artist Aaron Carter is valid and enforceable, despite attempts by Aaron Carter to disaffirm the contract. I filed this action in this court because the

DECLARATION OF JAMES NGUYEN SUPPORTING PLAINTIFF'S OPPOSITION TO MOTION TO DISMISS CASE NO. BC 349317

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Recording Agreement was judicially affirmed in 2005 by a order of judge from the Los Angeles Superior Court (Judge Robert Schnider).

On May 22, 2006, I telephoned and e-mailed Jorge Hernandez, an attorney 4. at the law firm of Holland + Knight in Miami, Florida. Mr. Hernandez had represented Aaron Carter by sending letters on Aaron Carter's behalf purporting to disaffirm the Recording Agreement. I asked in my voice mail message and e-mail whether Mr. Hernandez would accept service of the summons and complaint in the California Action on behalf of Aaron Carter. On May 23, 2006, I received an e-mail from Mr. Hernandez directing me to contact Michael Holtz, an attorney at the law firm of Lavely & Singer in Los Angeles, who would be representing Aaron Carter in the California Action.. On May 23, I e-mailed Mr. Holtz and asked whether he would accept service of the summons in the California Action on behalf of Aaron Carter. On May 25, 2006, Mr. Holtz replied by e-mail and agreed to accept service on behalf of Aaron Carter and asked me to send him the summons and complaint. A true and correct copy of the e-mail chain reflecting the foregoing is attached hereto as Exhibit Y. On May 26, 2006, I had the summons and complaint in this case sent by hand-delivery to Mr. Holtz's office (which is in the building next door to my firm's building in Los Angeles). Through subsequent correspondence by letter and email, Mr. Holtz confirmed acknowledgment of service and confirmed that service was made on May 26. A true and correct copy of confirming emails on June 2, 2006 is attached hereto as Exhibit Z.

# THE FLORIDA ACTION

5. On or about May 22, 2006, Aaron Carter filed an action in the Circuit Court of the Ninth Judicial Circuit in and for Orange County, Florida against Trans Con, Louis Pearlman (the principal of Trans Con), and Louis Pearlman Enterprises, Inc., entitled Aaron Carter v. Louis Pearlman, et al., Case No. 2006-CA-4293 (the "Florida Action"). In the Florida Action, Aaron Carter seeks a judicial ruling from the Florida court that his Recording Agreement with Trans Con (the same contract at issue in this case) is invalid.

In essence, the Florida Action seeks the reverse ruling from that sought by Trans Con in this action. The Florida Action also asserts various claims for contract and other damages. A true and correct copy of the complaint in the Florida Action is attached to the Motion as Exhibit P. Although the proof of service attached to the Florida complaint says it was mail served to me, I never in fact received the complaint via mail. I received the complaint from my partner, Michael Gay, in my firm's Orlando, Florida office.

6. In the Florida Action, Aaron Carter also filed and served an emergency motion seeking to restrain this action from proceeding. The emergency hearing occurred on July 6, 2006. A true and correct copy of the emergency motion filed by Aaron Carter in the Florida case is attached to the Motion as Exhibit U. A copy of the Order reflecting the Judge's ruling from that hearing is attached to the Motion as Exhibit Q.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 21st day of July, 2006 at Los Angeles, California.

JAMES D. NGUYON

# EXCLUSIVE RECORDING ARTIST AGREEMENT

AGREEMENT made as of the 1th day of December, 2004, by and between TRANS CONTINENTAL RECORDS, INC., a Florida corporation with its main place of business located at 127 West Church Street, Suite #350, Orlando, Florida 32801 ("hereinafter referred to as Company") and AARON CARTER, an individual minor with a mailing address c/o Robert Carter 9300 Overseas Highway, Marathon, Florida 33050, (hereinafter referred to as "Artist").

In consideration of the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

#### 1. Term.

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- (a) The term of this agreement (hereinafter, the "Term") shall begin on the date set forth above and continue for an initial period ending on the date twelve (12) months following the initial commercial release of the First Album Delivered in complete satisfaction of the Delivery Obligation for such initial period (the "Initial Period").
- (b) Artist grants to Company six (6) consecutive separate options (each an "Option Period") to extend the Term for additional periods on the same terms and conditions applicable to the Initial Period. The Initial Period and each Option Period are each sometimes referred to herein as a "Contract Period", Company may exercise its option for a particular Option Period by written notice to Artist prior to the expiration of the Contract Period, which is then in effect (the "Current Period"). If Company exercises its option to extend the Term, the Option Period concerned shall begin immediately after the end of the Current Period and shall continue until the date twelve (12) months following the initial commercial release of the Album Delivered in complete satisfaction of the Delivery Obligation for that Option Period.
- (c) Notwithstanding anything contained in this agreement, neither the Term nor any Contract Period will end unless and until Artist delivers to Company a notice expressly referring to this paragraph 1(c) and indicating that Company has theretofore failed during the Current Period to exercise its option to extend the Term for the next Contract Period. If Company fails to exercise its option on or before the date that is thirty (30) business days after Company's receipt of such notice from Artist, then the Term will end on such thirtieth (30th) day, as if that date were the original expiration date of the Term, without Company having any liability or additional obligations to Artist in connection therewith.

# 2. Delivery Obligation/Television Special.

Company one (1) LP (sometimes referred to herein as an "LP" or "Album") solely embodying Artist's berformances, it being understood and agreed that Artist shall Deliver a minimum of ten (10) Sides and maximum of twenty (20) Sides recorded during the Current Period in connection with each Album except that during the Initial Period only, Artist shall produce and Deliver to Company at Company's sole option up to and including three (3) "single" recordings in lieu of an Album. The Delivery of such single(s); each consisting of not more than two (2) individual masters, each embodying one (1) musical

- composition ("Singles"), satisfying what would otherwise be the Delivery obligation otherwise pertaining to an Album during and for the Initial Period. During such Initial Period only and on or about November 18, 2004 Company shall produce a television special (the "Special") featuring Artist and other guests mutually selected by Company and Artist, to appear with Artist on the Special. All other technical, creative and business matters connected with, related to or derived from the Special shall be treated, as between Artist and Company, as any other Master Delivered by Artist to Company hereunder.
- (ii) Each Album shall be Delivered to Company prior to the date (the "Due Date") mutually agreed upon by the parties, but in no event later than one hundred fifty (150) days after the commencement of the Current Period. If Artist is delinquent in the Delivery of any Masters hereunder, the next Delivered Masters shall be deemed to satisfy the most delinquent requirements first. Company's exercise of an option shall not constitute a waiver of any of Company's rights to prior recordings hereunder.
- (b) Subject to your prior written consent, and good faith negotiations between the parties for an advance, during the Term, Company shall have one (1) option (a "Greatest Hits Sides Option"), to require Artist to record and Deliver up to two (2) Sides recorded after Company's exercise of the Greatest Hits Sides Option (the "New Greatest Hits Masters"). Each such New Greatest Hits Master shall embody a Composition not previously recorded by Artist and shall be intended for initial release on the "Greatest Hits" or "Best Of" LP (a "Greatest Hits LP"). Artist shall Deliver such New Greatest Hits Masters on a date mutually agreed upon by the parties, but in no event later than ninety (90) days after Company's exercise of a particular Greatest Hits Sides Option. New Greatest Hits Masters shall not be deemed to fulfill any of Artist's obligations hereunder with respect to Committed LPs.
- (c) Neither Multiple LPs, "theme" Masters (e.g., Christmas Masters), nor Masters consisting of "live", instrumental or joint recordings shall be Delivered hereunder without Company's prior written consent, which may be withheld by Company in good faith. If Artist Delivers and Company accepts Masters constituting a Multiple LP, such Masters shall be deemed to be one LP for the purposes of Artist's Delivery obligations under this agreement. If Artist Delivers and Company accepts Masters consisting of "live", "theme", instrumental or joint recordings, then such Masters shall not be deemed to be in partial or complete fulfillment of any of Artist's obligations hereunder.

# 3. General Procedures.

- (a) Each Master Delivered hereunder shall be subject to the approval of Company as being commercially and technically satisfactory. At Company's request, Artist shall (and/or Company, at its election, may) re-record Masters in order to obtain Masters satisfactory to Company in its reasonable commercial judgment.
- (b) Company shall determine and prepare, in meaningful consultation with Artist, the recording budget for each prospective Album hereunder and shall inform Artist of the Amount of said budget prior to commencement of recording. Notwithstanding the foregoing, the recording budget shall be no less than the following amounts with respect to the corresponding Album:

Album Number	Minimum Recording Budget
1	\$100,000.00
2	\$100,000.00
3	\$100,000.00
4	\$100,000.00
5	\$100,000.00
6	\$100,000.00

Company and Artist shall mutually designate each Composition to be recorded under this agreement. Company and Artist shall designate, after meaningful consultation with Artist, the producer of each Master (each, a "Producer") and the studio(s) to be used for recording and mastering. Company shall be responsible for engaging and paying all Producers. Company shall have the right to have a representative attend each recording session, at Company's sole cost and expense.

- (c) (i) Artist shall at all times cooperate with producers so that producers are able to provide Company with union contract forms, all necessary payroll forms and such other required documents on a timely basis.
- (ii) Company shall own and control from the inception of their creation, each and every original session tape, each multi-track master, a non-equalized copy of the Masters and each and every mother, master, acetate copy or other derivative of the Masters.
- (d) Nothing in this agreement shall obligate Company to permit the continuation of any recording project, even if previously approved hereunder, if Company reasonably anticipates that (i) the Recording Costs will exceed the Approved Budget; or (ii) the Masters being produced will not be satisfactory to Company.

# 4. Recoupable and Reimbursable Costs.

- (a) All recording costs incurred by Company at any time in connection with the Recording of Committed LP's, Singles (if recorded during the Initial Period separate and apart from any Committed LP) and the Television Special hereunder will be deemed Recording Costs hereunder and shall be recoupable from any and all royalties accruing to Artist, excluding mechanical royalties, which this agreement.
- (b) Upon Company's receipt of invoices therefore, Company shall pay all Recording Costs incurred in connection with the Masters required to be Delivered as well as the Television Special, subject to this agreement in accordance with an approved written recording budget

[and in the case of the Television Special; the Television Special production budget] (each, the "Approved Budget"), all of which shall be deemed Recording Costs hereunder. Company shall have no obligation to pay any Recording Costs incurred, which, exceed such Approved Budget, if such excess costs are solely Artist's fault ("Excess Costs"). Company shall have the right, in its sole discretion, to pay such Excess Costs, which shall be recoupable from any and all sums due Artist, excluding mechanical royalties.

(c) One hundred percent (100%) of all out of pocket third party costs paid or incurred by Company in connection with (i) Recording Costs hereunder (it being understood that Company shall re-credit to Artist's royalty account hereunder any Recording Costs so recouped from royalties otherwise payable to Artist if and to the extent same are subsequently recouped from royalties otherwise payable to an individual producer of a Master) and (ii) "deficit tour support" and personal appearance costs, shall constitute Advances. Fifty percent (50%) of all out of pocket third party costs paid or incurred by Company in connection with (y) the production of Videos (it being acknowledged and understood that the Television Special is not a Video for purposes hereof) embodying Artist's performances and (z) independent promotion shall constitute Advances. Company shall be entitled to recoup as Advances hereunder any amounts that are recoupable against Company by Distributor under any Distribution Agreement. Company may recoup Advances from any and all record royalties accruing to Artist under this agreement.

### 5. Advances/Royalties.

- (a) Company agrees to pay Artist fifty percent (50%) of each Net Advance paid to Company under a Distribution Agreement, if any. "Net Advance" shall mean a gross advance paid to Company under a Distribution Agreement during the term of this agreement less (i) all costs incurred by Company in promoting Artist for purposes of securing a Distribution Agreement as well as all costs incurred by Company in securing a Distribution Agreement, including the costs of showcasing Artist and reasonable outside legal fees in connection with the negotiation of a potential Distribution Agreement, (ii) all Recording Costs paid by Company or the Distributor to the extent such costs have not been previously deducted by Company from a prior Advance paid by a Distributor or recouped from royalties otherwise payable to Artist hereunder, and (iii) all other charges and costs deducted from Advances payable by the Distributor to the extent such charges and costs have not been previously deducted by Company from a prior Advance paid by a Distributor or recouped from royalties otherwise payable to Artist hereunder. "Distribution Agreement" shall mean each agreement entered into by Company to effectuate the distribution of one (1) or more Records through normal retail channels;
- (b) With respect to Net Sales for which Company receives royalties or is credited with royalties against an advance under a Distribution Agreement, Company agrees to credit to Artist's account hereunder a royalty in the amount of fifty percent (50%) of the Net Receipts paid or credited to Company under a Distribution Agreement, or otherwise. "Net Receipts" shall mean all gross monies actually received by or credited to Company in connection with the exploitation of Artist's services hereunder under a Distribution Agreement or otherwise. "Net Sales" shall mean Records sold by Company or by a Distributor (or its distributor(s)) to independent third parties, for which Company has been paid or credited, less records returned and reserves against returns.
- (c) Company will accrue to Artist's royalty account the royalties set forth in this paragraph 5. Such royalties shall include all royalties due Artist (but excluding mechanical royalties, except as otherwise set forth herein or royalties due to third parties such as record producers,

who shall be paid separately and directly by Company, which payments shall not reduce or otherwise effect Artist' royalties hereunder).

#### 6. Accounting.

- any other recoupable costs charges, within ninety (90) days following the last day of February and August, in accordance with Company's regular accounting practices. Company shall have the right to establish reasonable reserves for returns and exchanges not to exceed thirty percent (30%). After the first full semi-annual accounting period following the release of a Album, the royalty reserve established for the particular Album shall not be in excess of thirty percent (30%) (fifty percent [50%] with respect to Singles) of the aggregate number of units of that Album [or Single] shipped. Each royalty reserve will be liquidated no later than the end of the fourth (4th) full semi-annual accounting period following the period during which such reserve is initially established. If Company makes any overpayment of royalties (e.g., by reason of an accounting error or by paying royalties on Records returned later), Company shall have the Offset Right with respect to such overpayment.
- (b) Royalties shall be computed in the same national currency as Company is accounted to, at the rate of exchange in effect at the time of payment to Company for such Records, and shall not accrue until payment has been received by Company in the United States or credited to Company against an earlier advance made to Company. If Company is paid for exploitations outside the United States but cannot receive such payment in the United States, then Company's only royalty obligation to Artist in respect of any such exploitations shall be to deposit, but only at Artist' written request and expense, subject to prior notice by Company to Artist, the royalties payable to Artist for such exploitations in the currency in which Company receives payment, and such deposit shall be made to Artist' account in a depository selected by Artist and located in the country in which payment to Company is made for such exploitations.
- (c) Each royalty payment shall be accompanied by a statement in accordance with Company's regular accounting practices. Each statement shall become binding on Artist and Artist shall not make any claim against Company with respect to such statement, unless Artist advises Company, in writing, of the specific basis of such claim within two and one-half (2<sup>1</sup>/<sub>2</sub>) years after the date the statement is received by Artist.
- (d) Artist shall not have the right to sue Company in connection with any royalty accounting or to sue for royalties accrued by Company during the period a royalty accounting covers, unless Artist commence the suit within three (3) years after the date when the statement in question was received by Artist. If Artist commences suit with respect to any royalty accounting due Artist, the scope of the proceeding shall be limited to determination of the amount of royalties due for the accounting periods concerned, and the court will have no authority to consider any other issues or award any relief except recovery of any royalties found owing. Artist' recovery of any such royalties will be the sole remedy available to Artist by reason of any claim related to Company's royalty accountings. Without limiting the generality of the preceding sentence, Artist shall not have any right seek termination of this agreement or avoid the performance of their obligations by reason of any such claim.

- (e) Royalties accruing hereunder shall be less any taxes the laws of any applicable jurisdiction require to be withheld in connection with such royalties.
- (f) If, on any date, the performances embodied on any Master become property of the public domain in any territory of the world so that Persons may reproduce and/or exploit in such territory Records of such performances without license from and payment to Company, then, notwithstanding anything herein to the contrary, no monies whatsoever shall accrue hereunder in connection with Records Sold in such territory on and after said date insofar as such performances are concerned.
- Artist may only once during any calendar year, and only once with (g) respect to any statement due hereunder, audit Company's books and records to determine the accuracy of Company's statements. Artist shall notify Company at least thirty (30) days prior to the date Artist' plans to commence the audit. Company shall have the right to postpone the commencement of Artist' audit by notice to Artist no later than five (5) days prior to the commencement date specified in Artist' notice: if Company does so, the running of the time within which the audit may be made will be suspended during the postponement. If an audit is not completed within thirty (30) days from the time it began. Company shall have the right to require Artist to terminate it on five (5) days' notice to Artist at any time; Company will not be required to permit Artist to continue the examination after the end of that five (5) day period. Artist shall not be entitled to examine any manufacturing records or any other records which do not specifically report sales of Records or calculation of net receipts on which royalties are accruable hereunder. All audits shall be made during regular business hours, and shall be conducted by an independent Certified Public Accountant, but not if he or his firm has begun an examination of Company's books and records for any Person (except Artist), unless the examination has been concluded and any applicable audit issues have been resolved. Each examination shall be made at Artist' own expense at Company's regular place of business in the United States where the books and records are maintained.
- Videos. Company shall pay, as an Advance, the production costs of the Television Special (the "Television Special Costs") as well as each Video (the "Video Costs") Company shall produce the Television Special pursuant to a written budget (the "Television Special Budget") and may elect to produce, pursuant to a written budget (the "Video Budget") each approved by Company prior to each production. Costs paid by Company in excess of such Television Special Budget and/or such Video Budget, to the extent such excess costs are caused solely by Artist, as determined by Company in its sole discretion, shall result in Company having an Offset Right (including, but not limited to, the right to recoup such costs from any and all sums payable to Artist under this or any other agreement) with respect thereto. Company and Artist shall mutually approve the Compositions to be embodied in the Television Special and each Composition to be embodied in each Video (any Composition embodied on a Single is hereby deemed approved by Artist insofar as Nideos are concerned), the director, concept and storyboard of each Video, however, in the event of a dispute Company's decision shall be final. All decisions of Company in regard to the Television special other than the selection of support acts (if any) and the songs to be performed, shall be in the sole discretion of Company. Company shall recoup fifty percent (50%) of all Video Costs from audio-only Record royalties accruing hereunder, and one hundred percent (100%) of such costs from "Video royalties accruing hereunder, except that the Video Costs for any Video in excess of Fifty Thousand Dollars (\$100,000) shall be one hundred percent (100%) recoupable from audio-only Record byalties. Artist warrant that Artist shall (a) be available to perform for Videos on such dates and at such locations selected by Company and (b) fully cooperate with all production personnel in the

production of any Video. Company shall recoup one hundred percent (100%) of the Television Special Costs prior to dividing all net sums derived therefrom, evenly (50/50) with Artist on the same basis as any other royalties, as if received from the sale and exploitation of sound recordings derived from Masters hereunder except that Television Special Costs shall not be cross-collateralized with or recouped against any other sums advanced by Company in connection with any matter of thing other than the Television Special. Accountings and payments of any sums owing to Artist by Company in connection with, arising out of or resulting from the Television Special, shall be furnished to Artist concurrent with all other royalty statements to be otherwise furnished to Artist under paragraph 6 hereinabove and except as otherwise specifically provided for herein, Artist's and Company's rights and obligations concerning the Television Specials, shall be identical to such rights and obligations as pertain to Videos hereunder.

- 8. Mechanical Royalties. Artist hereby grant to Company an irrevocable license under copyright to reproduce each Controlled Composition on Records and distribute such Records in the United States and Canada, subject to the following terms:
- (a) (i) Mechanical royalties for Controlled Compositions in the United States and Canada will be payable at one hundred percent (100%) of the Statutory Rate at the time of recording of such Controlled Composition, with respect to Top-line Records sold through normal retail distribution channels ("NRC Sales") as defined in paragraph 13. It is understood and agreed that solely for the purposes of this paragraph 8(a)(i), Multiple LP Albums and Audiophile Records shall not be excluded from NRC Sales if all other requirements of paragraph 13(1) are met. All Compositions shall be published fifty percent (50%) by Artist's designated publishing firm and fifty percent (50%) by Company's designated publishing firm; net of any third party interests mutually agreed upon by Artist and Company, each of which shall reduce their interests on a pro-rata basis.
- (ii) (A) Mechanical royalties for Controlled Compositions in the United States and Canada will be payable at seventy five percent (75%) of the Statutory Rate with respect to Records Sold through record clubs.
- (B) Mechanical royalties for Controlled Compositions in the United States will be payable at seventy five percent (75%) of the Statutory Rate with respect to Mid-Price Records.
- (iii) For all exploitations of Records other than those described in paragraphs 8(a)(i) or (ii) above and 8(c) and (d) below, mechanical royalties will be payable at one hundred percent (100%) of the Statutory Rate.
- (b) Artist warrant and represents that all Compositions will be available for licensing hereunder and that the maximum amount that Company shall pay with respect to any Record will be one hundred percent (100%) of the Statutory Rate multiplied by the following applicable amounts: (A) LPs, ten (11); (B) EPs, five (5); (C) Long-Play Singles, three (3) and (D) other Singles and other Records not specified herein, two (2). Without limiting Company's rights, it is agreed that Company may exercise its Offset Right with respect to mechanical royalties in excess of the above amounts.

- (c) Controlled Compositions are hereby licensed to Company at no cost for use in and in connection with all exploitations of promotional, non-commercial Videos.
- (d) No copyright payments shall be payable for any more than one use of any Composition on a particular Record or for Controlled Compositions which are (A) non-musical; (B) arrangements of selections in the public domain; and/or (C) embodied in Records which are not Records Sold.
- (e) Company shall issue statements with respect to all mechanical copyright royalties payable hereunder on a quarterly basis within forty-five (45) days after the end of the applicable three-month period. Company shall withhold a portion of such royalties, not to exceed twenty five percent (25%) as a reasonable reserve for returns and exchanges. The provisions of subparagraphs (c) through (g) of paragraph 6 shall be applicable to accountings rendered pursuant to this subparagraph 8(e).
- Artist will authorize the use of any Controlled Composition in a radio or television commercial, a motion picture or television production or any other advertising or promotion unless the licensor first requires the licensee to agree, in writing, for Company's benefit, that the Composition will not be used in a "sound-alike" Master. A "sound alike" Master is a Master embodying the performance of a Composition embodied on a Master Delivered hereunder that imitates or simulates the performances embodied on the Master concerned hereunder by using a substantially similar music arrangement, vocal performance or otherwise. If Artist or any Person deriving rights from Artist shall determine to grant any rights in any Controlled Composition to any music publisher or any other Person or to authorize the use of any music or lyrics written by Artist in a Composition together with material written by anyone else, or if Artist shall determine to collaborate with any other Person in the authorship of any Composition, Artist will first require the other parties to the transaction or collaboration concerned to enter into a written agreement, for Company's benefit, requiring compliance with this paragraph.

#### 9. Rights.

(a) All Masters furnished to Company hereunder or created during the Term, including without limitation the First Album hereunder, are hereby deemed "works made for hire" and Company shall own all right, title and interest in and to the Masters and all copies thereof and the performances contained thereon throughout the Territory in perpetuity from the inception of their creation, including the worldwide copyrights thereto and all renewals thereof. If, for any reason, any Master is not deemed a work made for hire, Artist hereby assign to Company in perpetuity all rights in and to each such Master, including, without limitation, all copyrights and renewal rights thereto. Company shall have the exclusive right to use the Masters hereunder in perpetuity in any manner, including, without limitation, the exclusive right to:

(i) Manufacture, distribute and exploit all and/or any portions of the Masters, in any or all fields of use, by any method and through any media and by any means now or hereafter known, upon such terms and conditions and under any trademark or label as Company may elect or, in its sole discretion, to refrain therefrom;

(ii) Use the approved names (including all professional, assumed or fictitious names), approved likenesses, approved photographs and approved biographical material of

Artist rendering services in connection with the Masters (sometimes referred to herein as "Artist' Identification") for the purpose of publicizing, exploiting and marketing Masters hereunder and in general goodwill advertising for Company in the entertainment industry; and

(iii) Publicly perform or permit the public performance of the Masters by means of radio broadcast, television broadcast or any other method of public performance now or hereafter known.

- (b) Company's payment of any monies shall not constitute a waiver of any of Company's rights hereunder or of any of Artist' obligations, including but not limited to, the obligation to Deliver Masters. In addition, Company's acceptance and/or use of Masters, materials or other items delivered by Artist shall not constitute a waiver of any of Artist' representations, warranties or agreements in respect thereof.
  - (c) It is understood and agreed that during the Term, in the United States.
- (i) No Side delivered hereunder shall be released on any Record sold embodying Sides recorded hereunder coupled with Sides not recorded hereunder ("Coupled Records(s)"), without Artist' prior written consent, not to be unreasonably withheld, provided, however, that the foregoing restriction shall not apply with respect to (A) up to two (2) Sides delivered hereunder with respect to each Album and (B) so-called "sampler Records", the coupling of Masters hereunder for jukeboxes or "Personics®"-type uses, or use of Masters in Videos or Records used in connection with public transportation carriers or facilities or promotional Records.
- (ii) The provisions of paragraphs 9(c)(i) above shall not apply if Artist have not fulfilled Artist' Delivery obligations with respect to any Masters hereunder within the time periods set forth herein, or any of Artist' other material obligations hereunder.
- (d) It is understood and agreed that, without limitation of the license set forth in paragraph 8 above, that nothing contained in paragraph 9(a) above shall be deemed to grant Company any ownership interest in the Compositions embodied on Masters hereunder.
- (e) During the Term, Company shall submit to Artist or Artist's representative (whom Artist shall designate in writing for this purpose), for Artist's prior written approval, any photographs, likenesses or biographical material of Artist not furnished by Artist to Company, which Company intends to use in the United States. Such approval shall not be unreasonably withheld, and shall be deemed granted unless Company is advised in writing to the contrary within ten (10) business days after submission of such photographs, likeness or biographical material to Artist or Artist' representative, specifying the reasons for such disapproval. Any inadvertent failure of Company to comply with this sub-paragraph shall not be deemed a breach of this agreement, provided, however, that Company shall use reasonable best efforts to cure such failure after hadice from Artist.
- (f) (i) Provided Artist has fulfilled all of Artist' material obligations under this agreement, Company shall commercially release each Album in the United States within five (5) months after the date of Delivery in accordance with the provisions hereof of such Album. If Company fails to do so Artist may notify Company that Artist intends to terminate the Term unless Company releases such Album within sixty-(60) days (the "Cure Period") after Company's receipt of Artist' notice. If Company fails to release such Album before the end of the Cure Period, Artist shall have the

right, by giving Company notice thereof (the "Termination Notice"), to terminate the Term. On receipt by Company of the Termination Notice, and provided that Company has not released the applicable LP prior to the end of the Cure Period, the Term will end and all parties will be deemed to have fulfilled all of their obligations under the agreement except those obligations which survive the Term (e.g., warranties, audit rights, re-recording restrictions and obligation to pay royalties and other monies). Artist' only remedy for failure by Company to release an Album in the United States will be termination in accordance with this subparagraph 9(f)(i).

(ii) The running of the five (5) month and sixty (60) day periods referred to in this paragraph 10(f) will be suspended (and the expiration date of each of those periods will be postponed) for the period of any suspension or extension of the Term.

### 10. Warranties and Representations.

Artist warrants and represents the following:

- (a) Artist is not under any disability, restriction or prohibition, whether contractual or otherwise, with respect to (i) Artist's right to enter into this agreement, and (ii) Artist's right to grant the rights granted to Company hereunder, to fully perform each and every term and provision hereof, and to record each and every Master hereunder. Artist's shall cause his father and guardian Robert Carter to execute and deliver to Company herewith, the letter of parental consent attached hereto and incorporated herein by reference as Exhibit, "A".
- (b) (i) During the Term: (A) Artist shall record Masters exclusively for Company embodying Compositions not previously recorded by Artist and (B) Artist warrants that Artist will not perform or render any recording services for the purpose of making, promoting, or marketing Masters or Records for any Person other than Company.
- (ii) Notwithstanding anything to the contrary contained in subparagraph 10(b)(i) above, Arist shall be permitted to perform as a non-featured "sideman" at recording sessions for other record company(ies), provided that:
- (A) Neither the Records embodying such performances nor the exploitation of said Records shall feature Artist's likenesses;
- (B) Artist shall receive credit only as sidemen on the back cover and/or in the liner notes of such Record(s), provided that Artist's name shall not appear on the cover of any Record if Artist is performing as a sidemen;
- (C) Such credit shall not be larger than the credit accorded to other non-featured sidemen or producers (as applicable), but in no event shall any such credit be larger than that customary in the recording industry;
- (D) A courtesy credit shall be included where Artist appear as sidemen to the effect that Artist "appears courtesy of [Company]"; and
- (E) Such performances do not interfere with the timely completion of Artist's services rendered hereunder.

- (iii) Without limiting the generality of the provisions of paragraph 10(a)(i) above, Company agrees that Artist may perform in theatrical and/or television motion pictures and in other television productions, provided that such performances are substantially non-musical and that the agreement pursuant to which such performances are rendered expressly prohibits the release by any Person of Videos (other than Videos embodying substantially the entire motion picture or television production, unless such Videos embody promotion, marketing or a different version, or "cut" of the Picture or is related to the Picture, i.e., a prequel, sequel, remake, etc.).
- (c) (i) Artist will not perform for the recording or production of any Master embodying any Restricted Composition for any Person prior to the later of: (A) five (5) years after the date of Delivery to Company of the last Master embodying the Restricted Composition concerned or (B) two (2) years after the expiration of the Term.
- (d) Artist has not entered into and will not enter into, any agreement, which will interfere in any manner with the full and prompt performance of Artist' obligations under this agreement. Artist is not and shall not come under or subject to, any disability, restriction or prohibition with respect to Artist's rights to enter into, and to fulfill all of Artist' obligations under this agreement. Neither Artist nor any other Person deriving any rights from Artist shall at any time do, or authorize any Person to do, anything inconsistent with, or which might diminish, impair or interfere with any of Company's rights hereunder or the full and prompt performance of Artist's obligations hereunder.
- (e) Artist hereby irrevocably and unconditionally waives any and all moral and like rights that Artist have or may have in the Master Recordings and the performances and/or the material embodied therein, and Artist hereby agrees not to make any claim against Company or any of Company's assignees, Licensees or designees based on moral or like rights.
- (f) Artist has the right to grant to Company the right to use Artist's Identification. During the Term, neither Artist nor any other Person deriving rights from Artist, shall use Artist's Identification, or authorize or permit any Person other than Company to use Artist's Identification, in connection with the exploitation of Masters.
- (g) (i) Artist, is the sole owner of any professional name and such mark as is used by Artist. Artist is now and shall be the sole owner of such name at any time hereafter (the "Name"), and no other Person has or will have the right to use the Name in connection with Records during the Term. During the Term, Artist shall not change the name by which Artist is professionally known without Company's prior written consent, such consent not to be unreasonably withheld. If any Person challenges Artist's right to use a professional name or mark, Company may, at it its election and without limiting its rights, require Artist to adopt another professional name approved by Company, such approval not to be unreasonably withheld, without awaiting a determination of the validity of such challenge.
- (ii) During the Term, Artist shall at all times maintain a valid registration for the Name or any other name used by Artist hereunder in the Patent and Trademark Office of the United States, and promptly following the complete execution of this agreement, Artist shall furnish Company with a certified copy of such registration. In the event that such registration is not filed, Company shall have the right to conduct a trademark or other related search with respect to the Name and may register the Name on behalf of Artist with the Patent and Trademark Office or any

other applicable authority, the costs of which shall be treated as recoupable expenses hereunder. If, in Company's discretion, the search indicates that the Name should not be used, Company and Artist will mutually agree upon a substitute name for Artist. Nothing contained herein shall release Artist from its indemnification of Company in respect of Company's use of the Name.

- (h) During the Term, Artist shall, in connection with the release of each Alburn, (A) reasonably render musical performance before live audiences and/or on television and (B) shall, upon Company's reasonable request, appear at photo sessions, interviews and perform other promotional activities in support of Albums released hereunder. Company shall reimburse Artist for all reasonable and direct expenses incurred by Artist in connection with the items set forth in this paragraph 10(h)(B), provided such expenses are properly documented.
- (i) Subject to this agreement, no Person other than Company has any right to use, and during the Term no Person other than Company will be authorized to use, any Masters of Artist's performances for making, promoting, or marketing Records.
- (j) The Masters made and/or Delivered hereunder shall be produced in accordance with the rules and regulations of the American Federation of Musicians, the American Federation of Television and Radio Artist and all other unions or guilds having jurisdiction. All Persons, including Artist, rendering services in connection with such Masters shall fully comply with the provisions of the Immigration Reform Control Act of 1986 and complete and execute all forms as may be prescribed by the United States Immigration and Naturalization Service or other government agency regarding citizenship, permanent residency or so-called "documented worker" status.
- (k) Neither the Materials supplied by Artist nor any use thereof will violate any law or infringe upon the rights of any Person and Artist have (or shall have at all times herein mentioned) shall have obtained all necessary licenses, approvals, consents and permissions with respect to the same. All Personnel Lists furnished by Artist hereunder are and will be true, accurate and complete.
- (l) (i) Company shall not be required to make any payments of any nature for, or in connection with, the acquisition, exercise or exploitation of rights by Company pursuant to this agreement, except as specifically provided herein.
- (ii) Without limitation of the foregoing provisions of paragraph 10(1)(i) above, it is understood and agreed that Artist shall promptly make all payments as set forth in this agreement and in the event that Company exercises the Offset Right, Artist shall immediately make the reimbursement pursuant to Company's exercise of the Offset Right or allow Company to withhold other monies due Artist hereunder.
- (m) If Artist owns or controls, as of the date hereof, any Masters of Artist' performances recorded prior to the date hereof ("Prior Masters") or if Artist shall, during the Term, lacquire ownership of any Prior Masters, Artist hereby warrants and represents that Artist shall not exploit any such Prior Masters, and no exploitation rights in or to such Prior Masters shall be assigned, cransferred, conveyed or otherwise granted to any third party, during the Term. Additionally, in the event that Company exploits any Prior Masters, such Prior Masters shall be deemed recorded during the Initial Period. Artist hereby warrants and represents that there are no Prior Masters except as specifically set forth in Exhibit "C", which is attached hereto and incorporated herein by this reference.

(n) As of the date hereof, Artist warrants that Artist is not a resident of the State of California. Artist shall notify Company immediately in the event that any of Artist becomes a resident of the State of California. As of the date hereof, Artist is a minor and this agreement, is acknowledged by both Artist and Company as being conditioned upon and subject to the approval of the state courts of Florida having jurisdiction in the premises.

Company warrants and represents the following:

- (o). Company is not under any disability, restriction or prohibition, whether contractual or otherwise, with respect to (i) Company's right to enter into this agreement, and (ii) Company's right to grant the rights granted to Artist hereunder and to fully perform each and every term and provision hereof.
- (a) The parties hereto hereby indemnify, save and hold harmless the other from any and all loss and damage (including reasonable outside attorneys' fees and costs) arising out of or connected with any claim by any third party or any act by the indemnifying party which is inconsistent with any of the warranties, representations or agreements made by the indemnifying party in this agreement, provided the said claim has been dismissed, settled with the indemnifying party's consent, not to be unreasonably withheld, or reduced to a final judgment by a court of competent jurisdiction, and agree to reimburse the indemnified party on demand for any payment made or loss suffered with respect to any claim or act to which the foregoing indemnity applies. Notwithstanding anything to the contrary contained herein, the indemnified party shall have the right to settle without the indemnifying party's consent any claim involving sums of Five Thousand Dollars (\$5,000) or less. and this indemnity shall apply in full to any claim so settled; if the indemnifying party does not consent to any settlement proposed by the indemnified party for an amount in excess of Five Thousand Dollars (\$5,000), the indemnified party shall have the right to settle such claim without the indemnifying party's consent, and this indemnity shall apply in full to any claim so settled, unless the indemnifying party obtains a surety bond acceptable to the indemnified party in its sole discretion, with the indemnified party as a beneficiary, to assure the indemnified party of prompt payment of all expenses. losses and damages (including reasonable outside attorneys' fees, and costs) which the indemnified party may incur as a result of said claim. If the amount of any such claim or loss has not been determined. Company, as the indemnified party in a particular instance, may withhold sums due Artist hereunder in an amount consistent with such claim or loss pending such determination, unless Artist obtains a surety bond to Company in its sole discretion, with Company as a beneficiary, to assure Company for Artist' full potential liabilities hereunder. If no action is filed within one (1) year following the date on which such claim was first received by Company, Company shall release all sums withheld in connection with such claim, unless Company, in its reasonable business judgment, believes an action will be filed. Notwithstanding the foregoing, if after such release by Company of sums withheld in connection with a particular claim, such claim is reasserted, then Company's rights Fander this paragraph 10(p) will apply ab initio in full force and effect. The indemnified party shall motify the indemnifying party promptly in writing of any such claim and the indemnifying party shall have the right to participate in the defense of any such claim with counsel of the indemnifying party's wan choice and at the indemnifying party's own expense; provided that the indemnified party shall have the right at all times, in its sole discretion, to retain or resume control of the conduct thereof.

### 11. Company's Rights and Remedies.

- (a) (i) In the event of any material breach or default by Artist in the performance of any obligations, warranties or representations hereunder, including, without limitation, a Default Event, or in the event Artist is unable to perform her obligations hereunder due to illness of Artist or Artist fails or refuse to perform their obligations hereunder, Company may, by notice to Artist: (A) terminate the Term; (B) suspend Company's obligations hereunder; and/or (C) extend the Term for the duration of Artist's breach or default, or Artist's inability to perform hereunder.
- (ii) Company may also extend the Term for the duration of an act of God or a "force majeure" contingency, including, without limitation, labor disputes, earthquakes, fire or the unavailability of materials. If any of the foregoing contingencies shall affect Company and if Company suspends its obligations for a period in excess of six (6) months, then, provided that such contingency does not affect the entire music industry as a whole, at any time after such six (6) month period, Artist may request Company in writing to terminate such suspension. If Company shall not within thirty-(30) days following its receipt of such request notify Artist in writing of its termination of such suspension, Artist may at any time during the continuance of such suspension terminate the Term. If Artist terminates the Term, only those obligations of the parties, which would have continued after the Term, shall survive such termination. Company shall be obligated to continue to pay royalties to Artist pursuant to this agreement unless the cause of such suspension shall affect Company's ability to make such payments.
- (iii) Without limitation of the foregoing, any incapacity preventing Artist from fully performing hereunder or any material change in Artist's physical appearance or voice from those which existed on the date of execution hereof shall be deemed a breach by Artist of this agreement for purposes of this subparagraph 11(a).
- (b) Artist acknowledges that Artist's services rendered hereunder are unique and extraordinary and that Company may be entitled to equitable relief to enforce the provisions of this agreement.
- (c) Company shall have the right during any Contract Period, by written notice to Artist, to elect without cause not to record any or all of the Master Recordings constituting the Album for such Contract Period, and the Term shall automatically terminate as of the date of any such notice pursuant to this subparagraph 11(c), and Company shall have no further obligation to Artist; other than it's continuing obligation to pay royalties if any, which may become due and owing, and the balance of the reasonably calculated "in-pocket" portion of the applicable Advance in connection with such Album.
- (d) If any Default Event shall occur, then, without limitation of Company's rights at law, in equity, under this agreement or otherwise, that portion of monies which would otherwise have become due and payable to Artist hereunder shall be held in escrow pending resolution of any matters, which gave rise to the invocation of this paragraph 11.
- (e) The rights and remedies of Company as specified herein are not to the colusion of each other or of any other rights or remedies of Company hereunder, at law, in equity or the company may exercise or decline to exercise any of its rights and remedies as Company

may deem fit without jeopardizing any other rights and remedies of Company; and all of Company's rights and remedies in connection with this agreement shall survive the expiration of the Term.

### 12. <u>Definitions</u>.

- (a) "Advance" Recording Costs or other recoupable costs hereunder advanced by Company on Artist' behalf,
- (b) "Audiophile Record" A Record which is (a) of superior sound quality or has other distinct technical characteristics (i.e., 24 Gold Plated CDs or 180 gram + virgin vinyl LPs) or which is marketed as either of the foregoing (e.g., a "Mobile Fidelity" Record), (b) embodied in a new configuration (e.g., DCC, digital audio tape, etc.) and/or (c) made for digital playback.
- (c) "Budget Record" A Record bearing a primary dealer price (hereinafter the "PDP") in excess of fifty percent (50%) and equal to or less than sixty-seven percent (67%) of the highest PDP of Top-Line Records of the same type (e.g., whether it is an LP, EP, or Single) and in the same configuration (e.g., whether it is a tape cassette compact disc, or vinyl Record) in the territory concerned.
- (d) "Composition" Words and/or music, whether in the form of instrumental and/or vocal music, spoken word or otherwise, irrespective of length, including, without limitation, medleys.
- (e) "Container Deduction" Twenty-five percent (25%) of the applicable PDP for the Record concerned except: (a) Fifteen percent (15%) of the applicable PDP for vinyl Records and (b) twenty percent (20%) of the applicable PDP for analog cassette tapes, vinyl LP's in double fold jackets and for vinyl LP jackets which contain an insert.
- (f) "Controlled Composition" That portion of any Composition which is written, owned or controlled in whole or in part by Artist.
- (g) "Default Event" Any breach by Artist of this agreement, including, without limitation, the following: (a) Artist' failure or inability to fulfill any of Artist' obligations hereunder for any reason; (b) the occurrence of any of the events set forth in paragraph 11, subject to Artist' right to cure any such Default Event within sixty (60) days from the date of Company's written notice thereof or, in the case of Default Events not susceptible to cure within such time frame, to commence reasonable commercial designed to cure the same within said sixty (60) day period. In either event (cure or commencement of cure, as applicable), the same shall not be deemed to constitute a Default Event on Artist's part.
- (h) "Delivery" or "Delivered" Company's receipt of Masters satisfactory to Company, the applicable Personnel List and all necessary licenses, consents, approvals and other items required under the agreement (including, without limitation, all such items described in paragraph of [c]) for the Master(s) concerned.
- (i) "Master", "Recording", "Master Recording" Any recording of sound, whether or not coupled with a visual image, by any method and on any substance or material, whether now or hereafter known.

- (j) "Materials" The Masters hereunder, all Compositions, Artist's Identification, and all other musical, dramatic, artistic and literary materials, ideas and other intellectual properties contained in or used in connection with any Masters hereunder or their packaging, sale, distribution, advertising, publicizing or other exploitation thereof.
- (k) "Mid-Price Record" A Record bearing an PDP in excess of sixty-seven percent (67%) and equal to or less than eighty percent (80%) of the highest PDP of Top-Line Records of the same type and in the same configuration in the territory concerned.
- (l) "NRC Sales" Top-Line Records Sold through normal retail distribution channels and specifically excluding, without limitation, any exploitations described in subparagraphs (f)-(j) of paragraph 6, it being understood and agreed that Records Sold in the compact disc configuration shall not be excluded from NRC Sales if all the other requirements of this paragraph 12(l) are met.
- (m) "Offset Right" Company's right to (i) demand and immediately receive reimbursement from Artist of monies and/or (ii) charge monies against and/or deduct same from any sums accruing or becoming payable under this or any other agreement. In the event that any such deduction is effected against an Advance otherwise payable hereunder, such deduction shall not impair Company's right to charge and recoup, in the manner herein provided, the entirety of the Advance which would otherwise have been payable hereunder.
- (n) "Person" Any individual, corporation, partnership, association, entity or other organized group or combination of any or all of the foregoing, and their legal successors or representatives.
- (o) "Personnel List" A Master-by-Master list that identifies all vocal performers, background vocal performers, instrumental performers, engineers, mixers, programmers, Producers, arrangers and other persons featured on, or rendering services in connection with, each Master.
- (p) "Recording Costs" All costs incurred in connection with the pre-production and/or production of Masters embodying Artist' performances, including, without limitation, union scale, the costs of all instruments, musicians, vocalists, conductors, arrangers, orchestrators, copyists, programmers, etc., payments to a trustee or fund based on wages to the extent required by any labor organization or trustee (excluding so-called "per-record payments"), sampling costs, all studio costs, tape and disc costs, the costs associated with editing, mixing, remixing, mastering, engineering, travel, dubbing, cartage and trademark searches and registrations, the costs of cutting references, per diems, Producer fees and/or Advances, rehearsal hall rentals, the cost of mon-studio facilities and equipment, and all other costs and expenses incurred in producing any Masters hereunder (excluding any travel costs incurred by Company for its employees) which are faiting in connection with Artist' services hereunder:
- (q) "Record" Any form of reproduction, transmission, and/or communicated primarily for home use, school use, juke box use, or use in means of transportation, including, without limitation, a reproduction of a Video (a "Video Record").

- (r) (i) "Single" A Record embodying no more than two (2) Compositions.
- (ii) "Long Play Single" A Record embodying more than two (2) Sides that is not an EP.
- (iii) EP" A Record embodying more than four (4) Sides that is not an LP.
- (iv) "LP" or "Album" A Record containing no fewer than ten (10) Sides, with at least forty (40) minutes of playing time.
- (v) "Multiple LP" or "Multiple Album" Two (2) or more LPs packaged together by Company for marketing as a single unit and/or an LP containing sixteen (16) or more Sides.
- (vi) Notwithstanding the foregoing provisions of this paragraph 12(r) above, it is understood and agreed that in the event that Company specifically markets a Record as a certain type of Record (e.g., as a Single, EP, LP, etc.) then such Record shall be deemed such type of Record regardless of whether the Record concerned satisfies the definition set forth above for the Record type concerned.
- (3) (i) "Records Sold", "Record Sales" and "Sales" One hundred percent (100%) percent of those Records shipped by Company hereunder for which Company is paid and which are neither returned to not exchanged by Company nor (in the case of any record configuration as to which Company does not identify returns of Records according to selection number) treated as returned to Company under Company's then current policy with respect to the percentage of shipped units so treated. The following are specifically not Records Sold:
- (ii) Standard free or bonus Records given away together with Records Sold for monetary consideration. If Records are shipped subject to a discount or merchandise plan, the number of such Records deemed shipped and Sold shall be determined by reducing the number of Records shipped by the percentage of discount granted. It is understood and agreed that Company shall not exclude from Records Sold standard "free" or "bonus" goods in excess of fifteen percent (15%) unless Company becomes distributed by a so-called "major" record label whose policy is in excess thereof, but in no circumstances more than twenty five percent (25%).
- (iii) Free or bonus Records given away pursuant to special sales plans in addition to free and bonus records specifically provided for in paragraph 13(r)(ii) above.
- (iv) If Records which are shipped subject to a discount or merchandising plan, or respecting which a discount was granted in the form of "free" or" bonus" Records, are returned to Company, the returns will be credited between royalty bearing and non-royalty hearing Records in the same proportion as Company's customer's account is credited.
- (v) "Restricted Composition" A Composition embodied on a Master made or delivered to Company under this agreement.

- (vi) "Side" A Master embodying Artist' performance of no less than four (4) minutes of continuous sound (unless a shorter playing time is otherwise approved by Company in writing).
- (vii) "Statutory Rate" The minimum compulsory license rate applicable to a single musical composition, without regard to playing time, in effect pursuant to the United States Copyright Act (or the recognized equivalent in Canada) as of the earlier of the date the applicable Master initially is "released" in the United States or Canada (as applicable).
  - (viii) "Territory" The Universe.
- (t) "Top-Line" Record A Record bearing an PDP which is greater than eighty percent (80%) of the PDP of the then highest priced Record in of the same type and in the same configuration in the territory concerned.
- (u) "Video" Any Master reproducing Artist' performance together with visual images.

#### 13. Miscellaneous.

- (a) This agreement contains the entire understanding of the parties and supersedes any prior agreement, whether written or oral, relating to the subject matter hereof and cannot be changed or terminated except by an instrument signed by the party to be charged. Any instrument purporting to bind Company must be signed by an officer or authorized signatory of Company. No addition, deletion, revision, change or other alteration in or to drafts of this agreement prepared prior to the execution of this agreement shall be referred to by any of the parties in any lawsuit in which the construction, interpretation or meaning of this agreement is in dispute or otherwise be used for purposes of construing or interpreting any of the terms, provisions or language of this agreement in adjudicating or otherwise resolving any such lawsuit. No waiver by any of the parties hereto of any provision of or any default under this agreement shall constitute a waiver by the particular party of compliance thereafter with the same or any other provision of such party's respective right to enforce the same or any other provision thereafter. This agreement has been entered into in the State of Florida, and the validity, interpretation and legal effect of this agreement shall be governed by the laws of the State of Florida applicable to contracts entered into and performed entirely within the State of Florida, except that the law of the jurisdiction in which this agreement is approved pursuant to paragraph 18 below shall control the interpretation of this agreement as to issues of judicial approval of this agreement. Except as set forth in the preceding sentence, all claims, disputes or disagreements. which may arise out of the interpretation, performance or breach of this agreement shall be submitted exclusively to the jurisdiction of the state courts of the State of Florida or the Federal District courts decated in Orange County. Artist hereby submits to the jurisdiction of the aforesaid courts and agrees that any process in any such action or proceeding may be served upon Artist by delivery or mail in the same manner as notices pursuant to paragraph 14 below.
- (b) If any part of this agreement, or the application thereof to any party, shall be adjudged by a court of competent jurisdiction to be invalid, such judgment shall not affect the figurainder of this agreement, which shall continue in full force and effect, or the application of this agreement to the remaining parties. Headings used herein are for convenience only and shall not be used to interpret or modify this agreement.

- approval: (i) Artist' consent or approval shall not be unreasonably withheld; (ii) Artist's response to any request by Company for Artist' consent or approval shall be given within ten (10) business days following such request; (iii) any objection or disapproval shall be in writing, stating the specific reason(s) therefore; (iv) Artist' failure to give such written objection or disapproval within such ten (10) business day period shall be deemed Artist's consent or approval; (v) the exercise of such consent or approval right shall not delay the scheduled release of any Records hereunder or otherwise frustrate Company's exercise of its rights hereunder; and (vi) Company's inadvertent failure in any instance to request Artist's approval or consent shall not be deemed a breach of this agreement.
- (d) Artist recognizes that the sale of Records is speculative and agrees that the judgment of Company, as long as exercised responsibly and in good faith, with regard to any matter affecting the sale, distribution and exploitation of Records hereunder shall be binding and conclusive upon Artist. Nothing contained in this agreement shall obligate Company to make, sell, license, or distribute Records manufactured from the Masters recorded hereunder other than as specifically provided herein. The method, manner, frequency, timing and extent of release, packaging, promotion, advertising, distribution and exploitation of Masters and Records shall be within the sole discretion of Company unless otherwise herein specifically provided.
- (e) Neither Company nor Artist shall be entitled to recover damages or to terminate the Term by reason of any breach by the other party of its material obligations hereunder unless the party whose breach is alleged has failed to remedy such breach within sixty (60) days (15 days in the case of payment of monies hereunder) following receipt of the other party's notice thereof, or if such breach cannot be cured in such sixty (60) day period and if the party whose breach is alleged does not commence curing the breach during such sixty (60) day period and diligently completes the same in due course.
- (f) In entering into this agreement, Artist has and shall have the status of an independent contractor and nothing herein contained shall contemplate or constitute Artist as Company's agent or employee.
- (g) This agreement shall inure to the benefit of and be binding upon each of the parties hereto and their respective successors, permitted assigns and representatives. Company may assign, license or otherwise dispose of this agreement or any of its rights hereunder, in whole or in part, to any distributor, subsidiary, affiliate or controlling corporation or to any Person owning or acquiring a substantial portion of the stock or assets of Company or to a record company (label and/or distributor) which is owned or otherwise controlled by an entity controlled in common with any the following: Time-Warner, Universal Music Group, EMI, BMG or Sony Music. Company may also assign its rights hereunder to any of its licensees to the extent necessary or advisable in Company's sole discretion to implement the license granted. Artist shall not have the right to assign this agreement or any of its rights hereunder without Company's prior written consent, except the right to receive payment of monies hereunder to a single payee (i.e., a loan out).
- (h) This agreement shall not be effective or binding until signed by all proposed parties hereto.
- 14. Notices. All notices to Artist shall be sent to Artist at the address first mentioned herein. All notices to Company shall be sent to Company at the address first set forth

herein. Each party may hereafter designate any other address by notice in writing to the other party. All notices shall be in writing and shall be sent by personal delivery, courier, or by registered or certified mail, return receipt requested. The date of any notice hereunder shall be deemed the date of the mailing thereof. Royalty statements (and payments) may be sent by Company to Artist by regular mail.

- agreement should conflict with the corresponding terms of any applicable distribution agreement, then the relevant terms of this agreement shall be deemed superseded by the terms of the distribution agreement and the Term, recording commitment and/or any and all other material terms hereunder will be deemed modified to reflect the terms set forth in such distribution agreement, if applicable. Any conflicting terms under this agreement shall be deemed superseded by the terms of such distribution agreement, provided that such superseding provision is not unduly restrictive to Artist and is within reasonable norms of the music industry.
- 16. Artist maintains the right to secure competent legal advice and representation in connection with the negotiation and signing of this agreement or to knowingly and voluntarily waive such right. Artist acknowledges that he understands such right and have acted accordingly in connection with the negotiation and signing of this agreement.
- 17. Artist and Louis J. Pearlman Enterprises, Inc., a Florida corporation ("LJPE") (which shall execute this agreement solely for the purpose of confirming its agreement to this paragraph 17) hereby agree as follows:
- (a) Neither LIPE nor any person, firm, corporation or other entity claiming rights or an interest in Artist by or under LIPE, shall receive or be credited with any share or portion of royalties or other consideration payable or accruing to the benefit of Artist hereunder, notwithstanding the fact that such interest may increase the profitability of Records sold by or for Company, it being acknowledged by Artist that absent the waiver herein contained, LIPE and/or Louis J. Pearlman could be subject to the appearance of a conflict of interest as between his respective interests and positions in Company and LIPE; and
- (b) Artist further acknowledges that his father Robert Carter has a beneficial interest in the Personal Management Agreement (along with LJPE)(the "PMA") and that such interest, absent the waiver herein contained, might otherwise give rise to an appearance of a conflict of interest. Based on the advice of independent legal counsel, Artist hereby knowingly waives any right he might otherwise have to assert such conflict as a defense to the enforceability of this agreement or the PMA.
- years of age. Artist's Minority. Artist has advised Company that he is under eighteen (18) years of age. Artist shall cooperate with reasonable requests by Company in connection with any proceedings Company may institute, at its own cost and expense, to obtain judicial approval of this agreement. In that regard, Company hereby consents to the establishment of any trust fund or savings plan for her benefit as the court to which such petition for approval is submitted deems just and proper. At any time after Artist has reached the age of eighteen (18) years (or such other age as may be deemed the age of majority for purposes hereof), Artist shall, upon Company's request, reaffirm in writing the validity and enforceability of this agreement. If Company is unable to obtain judicial approval of this agreement, or if Artist fails to reaffirm this agreement within a reasonable period of time after Company's request therefore, Company shall have the right (but not the obligation, and without limiting Company's other rights and remedies) to terminate the Term hereof, in which event

Company shall have no further obligations to Artist hereunder (other than the obligation to pay monies due to Artist, if any).

IN WITNESS WHEREOF, the parties hereto have executed this agreement effective as of the date and year first set forth above.

### COMPANY

TRANS-CONTINENTAL RECORDS, INC. A Florida Corporation ("Company")

Greg McDohald, Presiden

AGREED TO AND ACCEPTED BY:

Aaron Carter

ss# 592-88-4170

Agreed to as to paragraph 17 herein.

Louis J. Pearlman Enterprises, Inc.

Louis J. Pearlman, Charma

o coerce coerc

#### EXHIBIT "A"

ROBERT CARTER 9300 Overseas Highway Marathon, Florida 33050

Trans Continental Records, Inc. 127 W. Church Street, Suite 350 Orlando, Florida 32801

Gentlemen:

I have been advised that my son, Aaron Carter (hereinafter referred to as "Artist") has entered into an exclusive recording artist agreement dated as of December 7, 2004 with you ("the Agreement").

In consideration of your entering into the Agreement with Artist, and as further inducement to you to do so (it being to my benefit that you enter into the same), I hereby agree as follows:

- . I am Artist's parent and/or legal guardian;
- . Artist is presently a minor;

. I will cooperate with you and shall sign such documents as you may reasonably request in connection with any proceeding to obtain judicial approval of the Agreement. As and when my consent is from time to time required under the Agreement, I agree that I will act in the Artist's behalf.

Very truly yours,

Robert Carter

Acknowledged as to form:

9 BAR NO. 0318050

CANADA PARI

FEB 2 2 2005

JOHN A. CLARKE, CLERK

W. GARY KURTZ, CSB #57546 LAW OFFICES OF W. GARY KURTZ 2625 Townsgate Road, Suite 330 Westlake Village, California Tel: (805) 449-8765/Fax: (805) 497-9158 Email: wgarykurtz@earthlink.net

In the Matter of the Contract between

Florida corporation,

TRANS CONTINENTAL RECORDS, INC., a

and

AARON CARTER, a minor, by and through ROBERT CARTER, as guardian ad litem,

Petitioner.

Respondent,

Attorneys for Petitioner Trans Continental Records, Inc.

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SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF LOS ANGELES

STANLEY MOSK COURTHOUSE

Case No.:

BS095136

PETITION TO APPROVE CONTRACT OF MINOR (California Family Code section 6751)

Dept. 2

CIT/CASE: BS095134 LEA/DEF#: RECEIPT #2 ECH438224833 DATE PARD: 02/22/05 02:55:13 PM

0310

PAYMENT: \$299.50 RECEIVED:

> CHECK: CASH:

CRANGE:

Petitioner Trans Continental Records, Inc. ("Petitioner") alleges:

- Petitioner is a Florida corporation which engages in a variety of business activities 1. pertaining to the production of master sound recordings and the commercialization thereof.
- 2. Respondent Aaron Carter (the "Minor"), is an individual residing in the state of Florida. 2 Robert Carter is the custodial parent of the Minor and is acting as his guardian ad litem in the within matter.

**EXHIBIT B** 

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- 3. On or about December 7, 2004, Petitioner entered into a written Exclusive Recording Artist Agreement ("Contract") with the Minor pursuant to which the Minor is to produce and deliver to Petitioner master sound recordings in consideration of the fees set forth in the Contract. A true and correct copy of the Contract is attached hereto as Exhibit A and is incorporated herein by this reference...
- 4. A substantial portion of the Contract will be performed in Los Angeles County, California and venue is therefore proper in this County pursuant to California Family Code section 6751(a).
- 5. The Minor was born on December 7, 1987 as shall be evidenced by a certified copy of the Minor's Certificate of Live Birth which shall be filed separetely in this matter by Petitioner.
- 6. All parties to the Contract, including Petitioner, have waived notice and an opportunity to appear and be heard in connection with the instant proceeding, as evidenced by the verification of this Petition, the waiver of the Minor attached hereto and incorporated herein by this reference as Exhibit B, the waiver of Robert Carter, attached hereto and incorporated herein by this reference as Exhibit C, and the waiver of Louis J. Pearlman Enterprises, Inc., attached hereto and incorporated herein by this reference as Exhibit D.
- 7. As evidenced by the Waiver of Robert Carter (attached hereto as Exhibit C) Robert Carter is the father of the Minor and is entitled to the physical custody, care and control of the Minor, and the appointment of a different individual is not required in the best interests of the Minor.
- 8. Both the Minor and Robert Carter (as evidenced by Exhibits E and F, respectively, which are incorporated herein by this reference) have consented to an order setting aside and preserving for the Minor's benefit at least 15% of the Minor's net earnings under the recording contract that is the subject of this matter.
  - 9. The Contract is fair and reasonable and in the best interests of the Minor.

WHEREFORE, good cause appearing, is requested that the Court

Approve the Contract as to all of the terms and conditions thereof; 1. Order that Petitioner deduct until the Minor attains the age of eighteen (18) years, fifteen 2. percent (15%) of the gross earnings payable by Petitioner to and/or for the services of the Minor pursuant to the Contract, and to deposit said fifteen percent (15%) into one or more Coogan Trust Accounts established and maintained for the benefit of the Minor at one or more financial institutions in the State of California in accordance with Family Code section 6753; and . Grant such other relief and further orders as it deems just and proper. 3. Dated: February 10, 2005 LAW OFFICES OF W. GARY KURTZ Attorney for Petitioner Trans Continental Records, Inc. 

## **EXCLUSIVE RECORDING ARTIST AGREEMENT**

AGREEMENT made as of the 1th day of December, 2004, by and between TRANS CONTINENTAL RECORDS, INC., a Florida corporation with its main place of business located at 127 West Church Street, Suite #350, Orlando, Florida 32801 ("hereinafter referred to as Company") and AARON CARTER, an individual minor with a mailing address c/o Robert Carter 9300 Overseas Highway, Marathon, Florida 33050, (hereinafter referred to as "Artist").

In consideration of the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

#### 1. Term.

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- (a) The term of this agreement (hereinafter, the "Term") shall begin on the date set forth above and continue for an initial period ending on the date twelve (12) months following the initial commercial release of the First Album Delivered in complete satisfaction of the Delivery Obligation for such initial period (the "Initial Period").
- (b) Artist grants to Company six (6) consecutive separate options (each an "Option Period") to extend the Term for additional periods on the same terms and conditions applicable to the Initial Period. The Initial Period and each Option Period are each sometimes referred to herein as a "Contract Period". Company may exercise its option for a particular Option Period by written notice to Artist prior to the expiration of the Contract Period, which is then in effect (the "Current Period"). If Company exercises its option to extend the Term, the Option Period concerned shall begin immediately after the end of the Current Period and shall continue until the date twelve (12) months following the initial commercial release of the Album Delivered in complete satisfaction of the Delivery Obligation for that Option Period.
- (c) Notwithstanding anything contained in this agreement, neither the Term nor any Contract Period will end unless and until Artist delivers to Company a notice expressly referring to this paragraph 1(c) and indicating that Company has theretofore failed during the Current Period to exercise its option to extend the Term for the next Contract Period. If Company fails to exercise its option on or before the date that is thirty (30) business days after Company's receipt of such notice from Artist, then the Term will end on such thirtieth (30th) day, as if that date were the original expiration date of the Term, without Company having any liability or additional obligations to Artist in connection therewith.

# 2. Delivery Obligation/Television Special.

(a) (i) During each Contract Period, Artist shall produce and Deliver to Company one (1) LP (sometimes referred to herein as an "LP" or "Album") solely embodying Artist's performances, it being understood and agreed that Artist shall Deliver a minimum of ten (10) Sides and a maximum of twenty (20) Sides recorded during the Current Period in connection with each Album except that during the Initial Period only, Artist shall produce and Deliver to Company at Company's sile option up to and including three (3) "single" recordings in lieu of an Album. The Delivery of such single(s); each consisting of not more than two (2) individual masters, each embodying one (1) musical

composition ("Singles"), satisfying what would otherwise be the Delivery obligation otherwise pertaining to an Album during and for the Initial Period. During such Initial Period only and on or about November 18, 2004 Company shall produce a television special (the "Special") featuring Artist and other guests mutually selected by Company and Artist, to appear with Artist on the Special. All other technical, creative and business matters connected with, related to or derived from the Special shall be treated, as between Artist and Company, as any other Master Delivered by Artist to Company hereunder.

- (ii) Each Album shall be Delivered to Company prior to the date (the "Due Date") mutually agreed upon by the parties, but in no event later than one hundred fifty (150) days after the commencement of the Current Period. If Artist is delinquent in the Delivery of any Masters hereunder, the next Delivered Masters shall be deemed to satisfy the most delinquent requirements first. Company's exercise of an option shall not constitute a waiver of any of Company's rights to prior recordings hereunder.
- (b) Subject to your prior written consent, and good faith negotiations between the parties for an advance, during the Term, Company shall have one (1) option (a "Greatest Hits Sides Option"), to require Artist to record and Deliver up to two (2) Sides recorded after Company's exercise of the Greatest Hits Sides Option (the "New Greatest Hits Masters"). Each such New Greatest Hits Master shall embody a Composition not previously recorded by Artist and shall be intended for initial release on the "Greatest Hits" or "Best Of" LP (a "Greatest Hits LP"). Artist shall Deliver such New Greatest Hits Masters on a date mutually agreed upon by the parties, but in no event later than ninety (90) days after Company's exercise of a particular Greatest Hits Sides Option. New Greatest Hits Masters shall not be deemed to fulfill any of Artist's obligations hereunder with respect to Committed LPs.
- (c) Neither Multiple LPs, "theme" Masters (e.g., Christmas Masters), nor Masters consisting of "live", instrumental or joint recordings shall be Delivered hereunder without Company's prior written consent, which may be withheld by Company in good faith. If Artist Delivers and Company accepts Masters constituting a Multiple LP, such Masters shall be deemed to be one LP for the purposes of Artist's Delivery obligations under this agreement. If Artist Delivers and Company accepts Masters consisting of "live", "theme", instrumental or joint recordings, then such Masters shall not be deemed to be in partial or complete fulfillment of any of Artist's obligations hereunder.

### 3. General Procedures.

- (a) Each Master Delivered hereunder shall be subject to the approval of Company as being commercially and technically satisfactory. At Company's request, Artist shall (and/or Company, at its election, may) re-record Masters in order to obtain Masters satisfactory to Company in its reasonable commercial judgment.
- (b) Company shall determine and prepare, in meaningful consultation with artist, the recording budget for each prospective Album hereunder and shall inform Artist of the amount of said budget prior to commencement of recording. Notwithstanding the foregoing, the recording budget shall be no less than the following amounts with respect to the corresponding Album:

Album Number	Minimum Recording Budget
1	\$100,000.00
2	\$100,000.00
3	\$100,000.00
4	\$100,000.00
5	\$100,000.00
6	\$100,000.00

Company and Artist shall mutually designate each Composition to be recorded under this agreement. Company and Artist shall designate, after meaningful consultation with Artist, the producer of each Master (each, a "Producer") and the studio(s) to be used for recording and mastering. Company shall be responsible for engaging and paying all Producers. Company shall have the right to have a representative attend each recording session, at Company's sole cost and expense.

- (c) (i) Artist shall at all times cooperate with producers so that producers are able to provide Company with union contract forms, all necessary payroll forms and such other required documents on a timely basis.
- (ii) Company shall own and control from the inception of their creation, each and every original session tape, each multi-track master, a non-equalized copy of the Masters and each and every mother, master, acetate copy or other derivative of the Masters.
- (d) Nothing in this agreement shall obligate Company to permit the continuation of any recording project, even if previously approved hereunder, if Company reasonably anticipates that (i) the Recording Costs will exceed the Approved Budget; or (ii) the Masters being produced will not be satisfactory to Company.

#### 4. Recoupable and Reimbursable Costs.

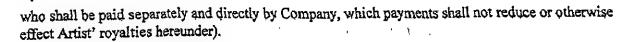
- (a) All recording costs incurred by Company at any time in connection with the Recording of Committed LP's, Singles (if recorded during the Initial Period separate and apart from Lay Committed LP) and the Television Special hereunder will be deemed Recording Costs hereunder and shall be recoupable from any and all royalties accruing to Artist, excluding mechanical royalties, tinder this agreement.
- (b) Upon Company's receipt of invoices therefore, Company shall pay all ecording Costs incurred in connection with the Masters required to be Delivered as well as the relevision Special, subject to this agreement in accordance with an approved written recording budget

[and in the case of the Television Special; the Television Special production budget] (each, the "Approved Budget"), all of which shall be deemed Recording Costs hereunder. Company shall have no obligation to pay any Recording Costs incurred, which, exceed such Approved Budget, if such excess costs are solely Artist's fault ("Excess Costs"). Company shall have the right, in its sole discretion, to pay such Excess Costs, which shall be recoupable from any and all sums due Artist, excluding mechanical royalties.

(c) One hundred percent (100%) of all out of pocket third party costs paid or incurred by Company in connection with (i) Recording Costs hereunder (it being understood that Company shall re-credit to Artist's royalty account hereunder any Recording Costs so recouped from royalties otherwise payable to Artist if and to the extent same are subsequently recouped from royalties otherwise payable to an individual producer of a Master) and (ii) "deficit tour support" and personal appearance costs, shall constitute Advances. Fifty percent (50%) of all out of pocket third party costs paid or incurred by Company in connection with (y) the production of Videos (it being acknowledged and understood that the Television Special is not a Video for purposes hereof) embodying Artist's performances and (z) independent promotion shall constitute Advances. Company shall be entitled to recoup as Advances hereunder any amounts that are recoupable against Company by Distributor under any Distribution Agreement. Company may recoup Advances from any and all record royalties accruing to Artist under this agreement.

## Advances/Royalties.

- (a) Company agrees to pay Artist fifty percent (50%) of each Net Advance paid to Company under a Distribution Agreement, if any. "Net Advance" shall mean a gross advance paid to Company under a Distribution Agreement during the term of this agreement less (i) all costs incurred by Company in promoting Artist for purposes of securing a Distribution Agreement as well as all costs incurred by Company in securing a Distribution Agreement, including the costs of showcasing Artist and reasonable outside legal fees in connection with the negotiation of a potential Distribution Agreement, (ii) all Recording Costs paid by Company or the Distributor to the extent such costs have not been previously deducted by Company from a prior Advance paid by a Distributor or recouped from royalties otherwise payable to Artist hereunder, and (iii) all other charges and costs deducted from Advances payable by the Distributor to the extent such charges and costs have not been previously deducted by Company from a prior Advance paid by a Distributor or recouped from royalties otherwise payable to Artist hereunder. "Distribution Agreement" shall mean each agreement entered into by Company to effectuate the distribution of one (1) or more Records through normal retail channels:
- (b) With respect to Net Sales for which Company receives royalties or is credited with royalties against an advance under a Distribution Agreement, Company agrees to credit to Artist's account hereunder a royalty in the amount of fifty percent (50%) of the Net Receipts paid or credited to Company under a Distribution Agreement, or otherwise. "Net Receipts" shall mean all gross monies actually received by or credited to Company in connection with the exploitation of "Artist's services hereunder under a Distribution Agreement or otherwise. "Net Sales" shall mean Records sold by Company or by a Distributor (or its distributor(s)) to independent third parties, for which Company has been paid or credited, less records returned and reserves against returns.
- (c) Company will accrue to Artist's royalty account the royalties set forth in this paragraph 5. Such royalties shall include all royalties due Artist (but excluding mechanical royalties, except as otherwise set forth herein or royalties due to third parties such as record producers,



#### 6. Accounting.

- (a) Royalties will be accrued semi-annually and paid, less all Advances and any other recoupable costs charges, within ninety (90) days following the last day of February and August, in accordance with Company's regular accounting practices. Company shall have the right to establish reasonable reserves for returns and exchanges not to exceed thirty percent (30%). After the first full semi-annual accounting period following the release of a Album, the royalty reserve established for the particular Album shall not be in excess of thirty percent (30%) (fifty percent [50%] with respect to Singles) of the aggregate number of units of that Album [or Single] shipped. Each royalty reserve will be liquidated no later than the end of the fourth (4th) full semi-annual accounting period following the period during which such reserve is initially established. If Company makes any overpayment of royalties (e.g., by reason of an accounting error or by paying royalties on Records returned later), Company shall have the Offset Right with respect to such overpayment.
- (b) Royalties shall be computed in the same national currency as Company is accounted to, at the rate of exchange in effect at the time of payment to Company for such Records, and shall not accrue until payment has been received by Company in the United States or credited to Company against an earlier advance made to Company. If Company is paid for exploitations outside the United States but cannot receive such payment in the United States, then Company's only royalty obligation to Artist in respect of any such exploitations shall be to deposit, but only at Artist' written request and expense, subject to prior notice by Company to Artist, the royalties payable to Artist for such exploitations in the currency in which Company receives payment, and such deposit shall be made to Artist' account in a depository selected by Artist and located in the country in which payment to Company is made for such exploitations.
- (c) Each royalty payment shall be accompanied by a statement in accordance with Company's regular accounting practices. Each statement shall become binding on Artist and Artist shall not make any claim against Company with respect to such statement, unless Artist advises Company, in writing, of the specific basis of such claim within two and one-half (2<sup>1</sup>/<sub>2</sub>) years after the date the statement is received by Artist.
- royalty accounting or to sue for royalties accrued by Company during the period a royalty accounting covers, unless Artist commence the suit within three (3) years after the date when the statement in question was received by Artist. If Artist commences suit with respect to any royalty accounting due Artist, the scope of the proceeding shall be limited to determination of the amount of royalties due for the accounting periods concerned, and the court will have no authority to consider any other issues or award any relief except recovery of any royalties found owing. Artist' recovery of any such royalties found owing. Without limiting the generality of the preceding sentence, Artist shall not have any right to seek termination of this agreement or avoid the performance of their obligations by reason of any such claim.

- (e) Royalties accruing hereunder shall be less any taxes the laws of any applicable jurisdiction require to be withheld in connection with such royalties.
- (f) If, on any date, the performances embodied on any Master become property of the public domain in any territory of the world so that Persons may reproduce and/or exploit in such territory Records of such performances without license from and payment to Company, then, notwithstanding anything herein to the contrary, no monies whatsoever shall accrue hereunder in connection with Records Sold in such territory on and after said date insofar as such performances are concerned.
- (g) Artist may only once during any calendar year, and only once with respect to any statement due hereunder, audit Company's books and records to determine the accuracy of Company's statements. Artist shall notify Company at least thirty (30) days prior to the date Artist' plans to commence the audit. Company shall have the right to postpone the commencement of Artist' audit by notice to Artist no later than five (5) days prior to the commencement date specified in Artist' notice; if Company does so, the running of the time within which the audit may be made will be suspended during the postponement. If an audit is not completed within thirty (30) days from the time it began. Company shall have the right to require Artist to terminate it on five (5) days' notice to Artist at any time: Company will not be required to permit Artist to continue the examination after the end of that five (5) day period. Artist shall not be entitled to examine any manufacturing records or any other records which do not specifically report sales of Records or calculation of net receipts on which royalties are accruable hereunder. All audits shall be made during regular business hours, and shall be conducted by an independent Certified Public Accountant, but not if he or his firm has begun an examination of Company's books and records for any Person (except Artist), unless the examination has been concluded and any applicable audit issues have been resolved. Each examination shall be made at Artist' own expense at Company's regular place of business in the United States where the books and records are maintained.
- Videos. Company shall pay, as an Advance, the production costs of the Television Special (the "Television Special Costs") as well as each Video (the "Video Costs") Company shall produce the Television Special pursuant to a written budget (the "Television Special Budget") and may elect to produce, pursuant to a written budget (the "Video Budget") each approved by Company prior to each production. Costs paid by Company in excess of such Television Special Budget and/or such Video Budget, to the extent such excess costs are caused solely by Artist, as determined by Company in its sole discretion, shall result in Company having an Offset Right (including, but not limited to, the right to recoup such costs from any and all sums payable to Artist under this or any other agreement) with respect thereto. Company and Artist shall mutually approve the Compositions to be embodied in the Television Special and each Composition to be embodied in each Video (any Composition embodied on a Single is hereby deemed approved by Artist insofar as Wideos are concerned), the director, concept and storyboard of each Video, however, in the event of a dispute Company's decision shall be final. All decisions of Company in regard to the Television Special other than the selection of support acts (if any) and the songs to be performed, shall be in the ble discretion of Company. Company shall recoup fifty percent (50%) of all Video Costs from audio-only Record royalties accruing hereunder, and one hundred percent (100%) of such costs from Video royalties accruing hereunder, except that the Video Costs for any Video in excess of Fifty housand Dollars (\$100,000) shall be one hundred percent (100%) recoupable from audio-only Record revalties. Artist warrant that Artist shall (a) be available to perform for Videos on such dates and at such locations selected by Company and (b) fully cooperate with all production personnel in the

production of any Video. Company shall recoup one hundred percent (100%) of the Television Special Costs prior to dividing all net sums derived therefrom, evenly (50/50) with Artist on the same basis as any other royalties, as if received from the sale and exploitation of sound recordings derived from Masters hereunder except that Television Special Costs shall not be cross-collateralized with or recouped against any other sums advanced by Company in connection with any matter of thing other than the Television Special. Accountings and payments of any sums owing to Artist by Company in connection with, arising out of or resulting from the Television Special, shall be furnished to Artist concurrent with all other royalty statements to be otherwise furnished to Artist under paragraph 6 hereinabove and except as otherwise specifically provided for herein, Artist's and Company's rights and obligations concerning the Television Specials, shall be identical to such rights and obligations as pertain to Videos hereunder.

- 8. Mechanical Royalties. Artist hereby grant to Company an irrevocable license under copyright to reproduce each Controlled Composition on Records and distribute such Records in the United States and Canada, subject to the following terms:
- (a) (i) Mechanical royalties for Controlled Compositions in the United States and Canada will be payable at one hundred percent (100%) of the Statutory Rate at the time of recording of such Controlled Composition, with respect to Top-line Records sold through normal retail distribution channels ("NRC Sales") as defined in paragraph 13. It is understood and agreed that solely for the purposes of this paragraph 8(a)(i), Multiple LP Albums and Audiophile Records shall not be excluded from NRC Sales if all other requirements of paragraph 13(l) are met. All Compositions shall be published fifty percent (50%) by Artist's designated publishing firm and fifty percent (50%) by Company's designated publishing firm; net of any third party interests mutually agreed upon by Artist and Company, each of which shall reduce their interests on a pro-rata basis.
- (ii) (A) Mechanical royalties for Controlled Compositions in the United States and Canada will be payable at seventy five percent (75%) of the Statutory Rate with respect to Records Sold through record clubs.
- (B) Mechanical royalties for Controlled Compositions in the United States will be payable at seventy five percent (75%) of the Statutory Rate with respect to Mid-Price Records.
- (iii) For all exploitations of Records other than those described in paragraphs 8(a)(i) or (ii) above and 8(c) and (d) below, mechanical royalties will be payable at one hundred percent (100%) of the Statutory Rate.
- (b) Artist warrant and represents that all Compositions will be available for licensing hereunder and that the maximum amount that Company shall pay with respect to any Record will be one hundred percent (100%) of the Statutory Rate multiplied by the following applicable amounts: (A) LPs, ten (11); (B) EPs, five (5); (C) Long-Play Singles, three (3) and (D) other Singles and other Records not specified herein, two (2). Without limiting Company's rights, it is agreed that Company may exercise its Offset Right with respect to mechanical royalties in excess of the above amounts.

- (c) Controlled Compositions are hereby licensed to Company at no cost for use in and in connection with all exploitations of promotional, non-commercial Videos.
- (d) No copyright payments shall be payable for any more than one use of any Composition on a particular Record or for Controlled Compositions which are (A) non-musical; (B) arrangements of selections in the public domain; and/or (C) embodied in Records which are not Records Sold.
- (e) Company shall issue statements with respect to all mechanical copyright royalties payable hereunder on a quarterly basis within forty-five (45) days after the end of the applicable three-month period. Company shall withhold a portion of such royalties, not to exceed twenty five percent (25%) as a reasonable reserve for returns and exchanges. The provisions of subparagraphs (c) through (g) of paragraph 6 shall be applicable to accountings rendered pursuant to this subparagraph 8(e).
- Artist will authorize the use of any Controlled Composition in a radio or television commercial, a motion picture or television production or any other advertising or promotion unless the licensor first requires the licensee to agree, in writing, for Company's benefit, that the Composition will not be used in a "sound-alike" Master. A "sound alike" Master is a Master embodying the performance of a Composition embodied on a Master Delivered hereunder that imitates or simulates the performances embodied on the Master concerned hereunder by using a substantially similar music arrangement, vocal performance or otherwise. If Artist or any Person deriving rights from Artist shall determine to grant any rights in any Controlled Composition to any music publisher or any other Person or to authorize the use of any music or lyrics written by Artist in a Composition together with material written by anyone else, or if Artist shall determine to collaborate with any other Person in the authorship of any Composition, Artist will first require the other parties to the transaction or collaboration concerned to enter into a written agreement, for Company's benefit, requiring compliance with this paragraph.

#### 9. Rights.

- (a) All Masters furnished to Company hereunder or created during the Term, including without limitation the First Album hereunder, are hereby deemed "works made for hire" and Company shall own all right, title and interest in and to the Masters and all copies thereof and the performances contained thereon throughout the Territory in perpetuity from the inception of their creation, including the worldwide copyrights thereto and all renewals thereof. If, for any reason, any Master is not deemed a work made for hire, Artist hereby assign to Company in perpetuity all rights in and to each such Master, including, without limitation, all copyrights and renewal rights thereto. Company shall have the exclusive right to use the Masters hereunder in perpetuity in any manner, including, without limitation, the exclusive right to:
- (i) Manufacture, distribute and exploit all and/or any portions of the Masters, in any or all fields of use, by any method and through any media and by any means now or Rereafter known, upon such terms and conditions and under any trademark or label as Company may elect or, in its sole discretion, to refrain therefrom;
- (ii) Use the approved names (including all professional, assumed or fictitious names), approved likenesses, approved photographs and approved biographical material of

Artist rendering services in connection with the Masters (sometimes referred to herein as "Artist' Identification") for the purpose of publicizing, exploiting and marketing Masters hereunder and in general goodwill advertising for Company in the entertainment industry; and

- (iii) Publicly perform or permit the public performance of the Masters by means of radio broadcast, television broadcast or any other method of public performance now or hereafter known.
- (b) Company's payment of any monies shall not constitute a waiver of any of Company's rights hereunder or of any of Artist' obligations, including but not limited to, the obligation to Deliver Masters. In addition, Company's acceptance and/or use of Masters, materials or other items delivered by Artist shall not constitute a waiver of any of Artist' representations, warranties or agreements in respect thereof.
  - (c) It is understood and agreed that during the Term, in the United States.
- (i) No Side delivered hereunder shall be released on any Record sold embodying Sides recorded hereunder coupled with Sides not recorded hereunder ("Coupled Records(s)"), without Artist' prior written consent, not to be unreasonably withheld, provided, however, that the foregoing restriction shall not apply with respect to (A) up to two (2) Sides delivered hereunder with respect to each Album and (B) so-called "sampler Records", the coupling of Masters hereunder for jukeboxes or "Personics®"-type uses, or use of Masters in Videos or Records used in connection with public transportation carriers or facilities or promotional Records.
- (ii) The provisions of paragraphs 9(c)(i) above shall not apply if Artist have not fulfilled Artist' Delivery obligations with respect to any Masters hereunder within the time periods set forth herein, or any of Artist' other material obligations hereunder.
- (d) It is understood and agreed that, without limitation of the license set forth in paragraph 8 above, that nothing contained in paragraph 9(a) above shall be deemed to grant Company any ownership interest in the Compositions embodied on Masters hereunder.
- (e) During the Term, Company shall submit to Artist or Artist's representative (whom Artist shall designate in writing for this purpose), for Artist's prior written approval, any photographs, likenesses or biographical material of Artist not furnished by Artist to Company, which Company intends to use in the United States. Such approval shall not be unreasonably withheld, and shall be deemed granted unless Company is advised in writing to the contrary within ten (10) business days after submission of such photographs, likeness or biographical material to Artist or Artist' representative, specifying the reasons for such disapproval. Any inadvertent failure of Company to comply with this sub-paragraph shall not be deemed a breach of this figreement, provided, however, that Company shall use reasonable best efforts to cure such failure after fibtice from Artist.
- (f) (i) Provided Artist has fulfilled all of Artist' material obligations under this agreement, Company shall commercially release each Album in the United States within five (5) months after the date of Delivery in accordance with the provisions hereof of such Album. If Company this to do so Artist may notify Company that Artist intends to terminate the Term unless Company feleases such Album within sixty-(60) days (the "Cure Period") after Company's receipt of Artist' notice. If Company fails to release such Album before the end of the Cure Period, Artist shall have the

right, by giving Company notice thereof (the "Termination Notice"), to terminate the Term. On receipt by Company of the Termination Notice, and provided that Company has not released the applicable LP prior to the end of the Cure Period, the Term will end and all parties will be deemed to have fulfilled all of their obligations under the agreement except those obligations which survive the Term (e.g., warranties, audit rights, re-recording restrictions and obligation to pay royalties and other monies). Artist' only remedy for failure by Company to release an Album in the United States will be termination in accordance with this subparagraph 9(f)(i).

(ii) The running of the five (5) month and sixty (60) day periods referred to in this paragraph 10(f) will be suspended (and the expiration date of each of those periods will be postponed) for the period of any suspension or extension of the Term.

### 10. Warranties and Representations.

Artist warrants and represents the following:

- (a) Artist is not under any disability, restriction or prohibition, whether contractual or otherwise, with respect to (i) Artist's right to enter into this agreement, and (ii) Artist's right to grant the rights granted to Company hereunder, to fully perform each and every term and provision hereof, and to record each and every Master hereunder. Artist's shall cause his father and guardian Robert Carter to execute and deliver to Company herewith, the letter of parental consent attached hereto and incorporated herein by reference as Exhibit "A".
- (b) (i) During the Term: (A) Artist shall record Masters exclusively for Company embodying Compositions not previously recorded by Artist and (B) Artist warrants that Artist will not perform or render any recording services for the purpose of making, promoting, or marketing Masters or Records for any Person other than Company.
- (ii) Notwithstanding anything to the contrary contained in subparagraph 10(b)(i) above, Artist shall be permitted to perform as a non-featured "sideman" at recording sessions for other record company(ies), provided that:
- (A) Neither the Records embodying such performances nor the exploitation of said Records shall feature Artist's likenesses;
- (B) Artist shall receive credit only as sidemen on the back cover and/or in the liner notes of such Record(s), provided that Artist's name shall not appear on the cover of any Record if Artist is performing as a sidemen:
- (C) Such credit shall not be larger than the credit accorded to other non-featured sidemen or producers (as applicable), but in no event shall any such credit be larger than that customary in the recording industry;
- (D) A courtesy credit shall be included where Artist appear as sidemen to the effect that Artist "appears courtesy of [Company]"; and
- (E) Such performances do not interfere with the timely completion of Artist's services rendered hereunder.

- (iii) Without limiting the generality of the provisions of paragraph 10(a)(i) above, Company agrees that Artist may perform in theatrical and/or television motion pictures and in other television productions, provided that such performances are substantially non-musical and that the agreement pursuant to which such performances are rendered expressly prohibits the release by any Person of Videos (other than Videos embodying substantially the entire motion picture or television production, unless such Videos embody promotion, marketing or a different version, or "cut" of the Picture or is related to the Picture, i.e., a prequel, sequel, remake, etc.).
- (c) (i) Artist will not perform for the recording or production of any Master embodying any Restricted Composition for any Person prior to the later of: (A) five (5) years after the date of Delivery to Company of the last Master embodying the Restricted Composition concerned or (B) two (2) years after the expiration of the Term.
- (d) Artist has not entered into and will not enter into, any agreement, which will interfere in any manner with the full and prompt performance of Artist' obligations under this agreement. Artist is not and shall not come under or subject to, any disability, restriction or prohibition with respect to Artist's rights to enter into, and to fulfill all of Artist' obligations under this agreement. Neither Artist nor any other Person deriving any rights from Artist shall at any time do, or authorize any Person to do, anything inconsistent with, or which might diminish, impair or interfere with any of Company's rights hereunder or the full and prompt performance of Artist's obligations hereunder.
- (e) Artist hereby irrevocably and unconditionally waives any and all moral and like rights that Artist have or may have in the Master Recordings and the performances and/or the material embodied therein, and Artist hereby agrees not to make any claim against Company or any of Company's assignees, Licensees or designees based on moral or like rights.
- (f) Artist has the right to grant to Company the right to use Artist's Identification. During the Term, neither Artist nor any other Person deriving rights from Artist, shall use Artist's Identification, or authorize or permit any Person other than Company to use Artist's Identification, in connection with the exploitation of Masters.
- (g) (i) Artist, is the sole owner of any professional name and such mark as is used by Artist. Artist is now and shall be the sole owner of such name at any time hereafter (the "Name"), and no other Person has or will have the right to use the Name in connection with Records during the Term. During the Term, Artist shall not change the name by which Artist is professionally known without Company's prior written consent, such consent not to be unreasonably withheld. If any Person challenges Artist's right to use a professional name or mark, Company may, at it its election and without limiting its rights, require Artist to adopt another professional name approved by Company, such approval not to be unreasonably withheld, without awaiting a determination of the validity of such challenge.
- (ii) During the Term, Artist shall at all times maintain a valid registration for the Name or any other name used by Artist hereunder in the Patent and Trademark Office of the United States, and promptly following the complete execution of this agreement, Artist shall furnish Company with a certified copy of such registration. In the event that such registration is not filed, Company shall have the right to conduct a trademark or other related search with respect to the Name and may register the Name on behalf of Artist with the Patent and Trademark Office or any

other applicable authority, the costs of which shall be treated as recoupable expenses hereunder. If, in Company's discretion, the search indicates that the Name should not be used. Company and Artist will mutually agree upon a substitute name for Artist. Nothing contained herein shall release Artist from its indemnification of Company in respect of Company's use of the Name.

- (h) During the Term, Artist shall, in connection with the release of each Album, (A) reasonably render musical performance before live audiences and/or on television and (B) shall, upon Company's reasonable request, appear at photo sessions, interviews and perform other promotional activities in support of Albums released hereunder. Company shall reimburse Artist for all reasonable and direct expenses incurred by Artist in connection with the items set forth in this paragraph 10(h)(B), provided such expenses are properly documented.
- (i) Subject to this agreement, no Person other than Company has any right to use, and during the Term no Person other than Company will be authorized to use, any Masters of Artist's performances for making, promoting, or marketing Records.
- (j) The Masters made and/or Delivered hereunder shall be produced in accordance with the rules and regulations of the American Federation of Musicians, the American Federation of Television and Radio Artist and all other unions or guilds having jurisdiction. All Persons, including Artist, rendering services in connection with such Masters shall fully comply with the provisions of the Immigration Reform Control Act of 1986 and complete and execute all forms as may be prescribed by the United States Immigration and Naturalization Service or other government agency regarding citizenship, permanent residency or so-called "documented worker" status.
- (k) Neither the Materials supplied by Artist nor any use thereof will violate any law or infringe upon the rights of any Person and Artist have (or shall have at all times herein mentioned) shall have obtained all necessary licenses, approvals, consents and permissions with respect to the same. All Personnel Lists furnished by Artist hereunder are and will be true, accurate and complete.
- (l) (i) Company shall not be required to make any payments of any nature for, or in connection with, the acquisition, exercise or exploitation of rights by Company pursuant to this agreement, except as specifically provided herein.
- (ii) Without limitation of the foregoing provisions of paragraph 10(l)(i) above, it is understood and agreed that Artist shall promptly make all payments as set forth in this agreement and in the event that Company exercises the Offset Right, Artist shall immediately make the reimbursement pursuant to Company's exercise of the Offset Right or allow Company to withhold other monies due Artist hereunder.
- (m) If Artist owns or controls, as of the date hereof, any Masters of Artist' performances recorded prior to the date hereof ("Prior Masters") or if Artist shall, during the Term, require ownership of any Prior Masters, Artist hereby warrants and represents that Artist shall not exploit any such Prior Masters, and no exploitation rights in or to such Prior Masters shall be assigned, transferred, conveyed or otherwise granted to any third party, during the Term. Additionally, in the event that Company exploits any Prior Masters, such Prior Masters shall be deemed recorded during the Initial Period. Artist hereby warrants and represents that there are no Prior Masters except as specifically set forth in Exhibit "C", which is attached hereto and incorporated herein by this reference.

(n) As of the date hereof, Artist warrants that Artist is not a resident of the State of California. Artist shall notify Company immediately in the event that any of Artist becomes a resident of the State of California. As of the date hereof, Artist is a minor and this agreement, is acknowledged by both Artist and Company as being conditioned upon and subject to the approval of the state courts of Florida having jurisdiction in the premises.

Company warrants and represents the following:

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- (o) Company is not under any disability, restriction or prohibition, whether contractual or otherwise, with respect to (i) Company's right to enter into this agreement, and (ii) Company's right to grant the rights granted to Artist hereunder and to fully perform each and every term and provision hereof.
- (p) The parties hereto hereby indemnify, save and hold harmless the other from any and all loss and damage (including reasonable outside attorneys' fees and costs) arising out of or connected with any claim by any third party or any act by the indemnifying party which is inconsistent with any of the warranties, representations or agreements made by the indemnifying party in this agreement, provided the said claim has been dismissed, settled with the indemnifying party's consent, not to be unreasonably withheld, or reduced to a final judgment by a court of competent jurisdiction, and agree to reimburse the indemnified party on demand for any payment made or loss suffered with respect to any claim or act to which the foregoing indemnity applies. Notwithstanding anything to the contrary contained herein, the indemnified party shall have the right to settle without the indemnifying party's consent any claim involving sums of Five Thousand Dollars (\$5,000) or less, and this indemnity shall apply in full to any claim so settled; if the indemnifying party does not consent to any settlement proposed by the indemnified party for an amount in excess of Five Thousand Dollars (\$5,000), the indemnified party shall have the right to settle such claim without the indemnifying party's consent, and this indemnity shall apply in full to any claim so settled, unless the indemnifying party obtains a surety bond acceptable to the indemnified party in its sole discretion, with the indemnified party as a beneficiary, to assure the indemnified party of prompt payment of all expenses, losses and damages (including reasonable outside attorneys' fees and costs) which the indemnified party may incur as a result of said claim. If the amount of any such claim or loss has not been determined. Company, as the indemnified party in a particular instance, may withhold sums due Artist hereunder in an amount consistent with such claim or loss pending such determination, unless Artist obtains a surety bond to Company in its sole discretion, with Company as a beneficiary, to assure Company for Artist' full potential liabilities hereunder. If no action is filed within one (1) year following the date on which such claim was first received by Company, Company shall release all sums withheld in connection with such claim, unless Company, in its reasonable business judgment, believes an action will be filed. Notwithstanding the foregoing, if after such release by Company of sums withheld in connection with a particular claim, such claim is reasserted, then Company's rights ander this paragraph 10(p) will apply ab initio in full force and effect. The indemnified party shall motify the indemnifying party promptly in writing of any such claim and the indemnifying party shall have the right to participate in the defense of any such claim with counsel of the indemnifying party's awn choice and at the indemnifying party's own expense; provided that the indemnified party shall have the right at all times, in its sole discretion, to retain or resume control of the conduct thereof.

## 11. Company's Rights and Remedies.

- (a) (i) In the event of any material breach or default by Artist in the performance of any obligations, warranties or representations hereunder, including, without limitation, a Default Event, or in the event Artist is unable to perform her obligations hereunder due to illness of Artist or Artist fails or refuse to perform their obligations hereunder, Company may, by notice to Artist: (A) terminate the Term; (B) suspend Company's obligations hereunder; and/or (C) extend the Term for the duration of Artist's breach or default, or Artist's inability to perform hereunder.
- God or a "force majeure" contingency, including, without limitation, labor disputes, earthquakes, fire or the unavailability of materials. If any of the foregoing contingencies shall affect Company and if Company suspends its obligations for a period in excess of six (6) months, then, provided that such contingency does not affect the entire music industry as a whole, at any time after such six (6) month period, Artist may request Company in writing to terminate such suspension. If Company shall not within thirty-(30) days following its receipt of such request notify Artist in writing of its termination of such suspension, Artist may at any time during the continuance of such suspension terminate the Term. If Artist terminates the Term, only those obligations of the parties, which would have continued after the Term, shall survive such termination. Company shall be obligated to continue to pay royalties to Artist pursuant to this agreement unless the cause of such suspension shall affect Company's ability to make such payments.
- (iii) Without limitation of the foregoing, any incapacity preventing Artist from fully performing hereunder or any material change in Artist's physical appearance or voice from those which existed on the date of execution hereof shall be deemed a breach by Artist of this agreement for purposes of this subparagraph 11(a).
- (b) Artist acknowledges that Artist's services rendered hereunder are unique and extraordinary and that Company may be entitled to equitable relief to enforce the provisions of this agreement.
- (c) Company shall have the right during any Contract Period, by written notice to Artist, to elect without cause not to record any or all of the Master Recordings constituting the Album for such Contract Period, and the Term shall automatically terminate as of the date of any such notice pursuant to this subparagraph 11(c), and Company shall have no further obligation to Artist; other than it's continuing obligation to pay royalties if any, which may become due and owing, and the balance of the reasonably calculated "in-pocket" portion of the applicable Advance in connection with such Album.
- (d) If any Default Event shall occur, then, without limitation of Company's rights at law, in equity, under this agreement or otherwise, that portion of monies which would obserwise have become due and payable to Artist hereunder shall be held in escrow pending resolution of any matters, which gave rise to the invocation of this paragraph 11.
- (e) The rights and remedies of Company as specified herein are not to the exclusion of each other or of any other rights or remedies of Company hereunder, at law, in equity or otherwise; Company may exercise or decline to exercise any of its rights and remedies as Company

may deem fit without jeopardizing any other rights and remedies of Company; and all of Company's rights and remedies in connection with this agreement shall survive the expiration of the Term.

#### 12. <u>Definitions</u>.

- (a) "Advance" Recording Costs or other recoupable costs hereunder advanced by Company on Artist' behalf.
- (b) "Audiophile Record" A Record which is (a) of superior sound quality or has other distinct technical characteristics (i.e., 24 Gold Plated CDs or 180 gram + virgin vinyl LPs) or which is marketed as either of the foregoing (e.g., a "Mobile Fidelity" Record), (b) embodied in a new configuration (e.g., DCC, digital audio tape, etc.) and/or (c) made for digital playback.
- (c) "Budget Record" A Record bearing a primary dealer price (hereinafter the "PDP") in excess of fifty percent (50%) and equal to or less than sixty-seven percent (67%) of the highest PDP of Top-Line Records of the same type (e.g., whether it is an LP, EP, or Single) and in the same configuration (e.g., whether it is a tape cassette compact disc, or vinyl Record) in the territory concerned.
- (d) "Composition" Words and/or music, whether in the form of instrumental and/or vocal music, spoken word or otherwise, irrespective of length, including, without limitation, medleys.
- (e) "Container Deduction" Twenty-five percent (25%) of the applicable PDP for the Record concerned except: (a) Fifteen percent (15%) of the applicable PDP for vinyl Records and (b) twenty percent (20%) of the applicable PDP for analog cassette tapes, vinyl LP's in double fold jackets and for vinyl LP jackets which contain an insert.
- (f) "Controlled Composition" That portion of any Composition which is written, owned or controlled in whole or in part by Artist.
- (g) "Default Event" Any breach by Artist of this agreement, including, without limitation, the following: (a) Artist' failure or inability to fulfill any of Artist' obligations hereunder for any reason; (b) the occurrence of any of the events set forth in paragraph 11, subject to Artist' right to cure any such Default Event within sixty (60) days from the date of Company's written notice thereof or, in the case of Default Events not susceptible to cure within such time frame, to commence reasonable commercial designed to cure the same within said sixty (60) day period. In either event (cure or commencement of cure, as applicable), the same shall not be deemed to constitute a Default Event on Artist's part.
- (h) "Delivery" or "Delivered" Company's receipt of Masters satisfactory to Gompany, the applicable Personnel List and all necessary licenses, consents, approvals and other items required under the agreement (including, without limitation, all such items described in paragraph 3 [c]) for the Master(s) concerned.
- (i) "Master", "Recording", "Master Recording" Any recording of sound, whether or not coupled with a visual image, by any method and on any substance or material, whether now or hereafter known.

- (j) "Materials" The Masters hereunder, all Compositions, Artist's Identification, and all other musical, dramatic, artistic and literary materials, ideas and other intellectual properties contained in or used in connection with any Masters hereunder or their packaging, sale, distribution, advertising, publicizing or other exploitation thereof.
- (k) "Mid-Price Record" A Record bearing an PDP in excess of sixty-seven percent (67%) and equal to or less than eighty percent (80%) of the highest PDP of Top-Line Records of the same type and in the same configuration in the territory concerned.
- (l) "NRC Sales" Top-Line Records Sold through normal retail distribution channels and specifically excluding, without limitation, any exploitations described in subparagraphs (f)-(j) of paragraph 6, it being understood and agreed that Records Sold in the compact disc configuration shall not be excluded from NRC Sales if all the other requirements of this paragraph 12(1) are met.
- (m) "Offset Right" Company's right to (i) demand and immediately receive reimbursement from Artist of monies and/or (ii) charge monies against and/or deduct same from any sums accruing or becoming payable under this or any other agreement. In the event that any such deduction is effected against an Advance otherwise payable hereunder, such deduction shall not impair Company's right to charge and recoup, in the manner herein provided, the entirety of the Advance which would otherwise have been payable hereunder.
- (n) "Person" Any individual, corporation, partnership, association, entity or other organized group or combination of any or all of the foregoing, and their legal successors or representatives.
- (0) "Personnel List" A Master-by-Master list that identifies all vocal performers, background vocal performers, instrumental performers, engineers, mixers, programmers, Producers, arrangers and other persons featured on, or rendering services in connection with, each Master.
- (p) "Recording Costs" All costs incurred in connection with the pre-production and/or production of Masters embodying Artist' performances, including, without limitation, union scale, the costs of all instruments, musicians, vocalists, conductors, arrangers, orchestrators, copyists, programmers, etc., payments to a trustee or fund based on wages to the extent required by any labor organization or trustee (excluding so-called "per-record payments"), sampling costs, all studio costs, tape and disc costs, the costs associated with editing, mixing, remixing, mastering, engineering, travel, dubbing, cartage and trademark searches and registrations, the costs of cutting references, per diems, Producer fees and/or Advances, rehearsal hall rentals, the cost of non-studio facilities and equipment, and all other costs and expenses incurred in producing any Masters hereunder (excluding any travel costs incurred by Company for its employees) which are distornarily recognized as recording costs in the record industry as well as vocal, instrument and dance training in connection with Artist' services hereunder.
- (q) "Record" Any form of reproduction, transmission, and/or communication now or hereafter known, manufactured, distributed, transmitted or communicated primarily for home use, school use, juke box use, or use in means of transportation, including, without limitation, a reproduction of a Video (a "Video Record").

- (r) (i) "Single" A Record embodying no more than two (2) Compositions.
- (ii) "Long Play Single" A Record embodying more than two (2) Sides that is not an EP.
- (iii) EP" A Record embodying more than four (4) Sides that is not an LP.
- (iv) "LP" or "Album" A Record containing no fewer than ten (10) Sides, with at least forty (40) minutes of playing time.
- (v) "Multiple LP" or "Multiple Album" Two (2) or more LPs packaged together by Company for marketing as a single unit and/or an LP containing sixteen (16) or more Sides.
- (vi) Notwithstanding the foregoing provisions of this paragraph 12(r) above, it is understood and agreed that in the event that Company specifically markets a Record as a certain type of Record (e.g., as a Single, EP, LP, etc.) then such Record shall be deemed such type of Record regardless of whether the Record concerned satisfies the definition set forth above for the Record type concerned.
- (s) (i) "Records Sold", "Record Sales" and "Sales" One hundred percent (100%) percent of those Records shipped by Company hereunder for which Company is paid and which are neither returned to nor exchanged by Company nor (in the case of any record configuration as to which Company does not identify returns of Records according to selection number) treated as returned to Company under Company's then current policy with respect to the percentage of shipped units so treated. The following are specifically not Records Sold:
- (ii) Standard free or bonus Records given away together with Records Sold for monetary consideration. If Records are shipped subject to a discount or merchandise plan, the number of such Records deemed shipped and Sold shall be determined by reducing the number of Records shipped by the percentage of discount granted. It is understood and agreed that Company shall not exclude from Records Sold standard "free" or "bonus" goods in excess of fifteen percent (15%) unless Company becomes distributed by a so-called "major" record label whose policy is in excess thereof, but in no circumstances more than twenty five percent (25%).
- (iii) Free or bonus Records given away pursuant to special sales plans in addition to free and bonus records specifically provided for in paragraph 13(r)(ii) above.
- (iv) If Records which are shipped subject to a discount or merchandising plan, or respecting which a discount was granted in the form of "free" or bonus" Reports, are returned to Company, the returns will be credited between royalty bearing and non-royalty bearing Records in the same proportion as Company's customer's account is credited.
- (v) "Restricted Composition" A Composition embodied on a Master made or delivered to Company under this agreement.

- (vi) "Side" A Master embodying Artist' performance of no less than four (4) minutes of continuous sound (unless a shorter playing time is otherwise approved by Company in writing).
- (vii) "Statutory Rate" The minimum compulsory license rate applicable to a single musical composition, without regard to playing time, in effect pursuant to the United States Copyright Act (or the recognized equivalent in Canada) as of the earlier of the date the applicable Master initially is "released" in the United States or Canada (as applicable).
  - (viii) "Territory" The Universe.
- (t) "Top-Line" Record A Record bearing an PDP which is greater than eighty percent (80%) of the PDP of the then highest priced Record in of the same type and in the same configuration in the territory concerned.
- (u) "Video" Any Master reproducing Artist' performance together with visual images.

#### 13. Miscellaneous.

- This agreement contains the entire understanding of the parties and (a) supersedes any prior agreement, whether written or oral, relating to the subject matter hereof and cannot be changed or terminated except by an instrument signed by the party to be charged. Any instrument purporting to bind Company must be signed by an officer or authorized signatory of Company. No addition, deletion, revision, change or other alteration in or to drafts of this agreement prepared prior to the execution of this agreement shall be referred to by any of the parties in any lawsuit in which the construction, interpretation or meaning of this agreement is in dispute or otherwise be used for purposes of construing or interpreting any of the terms, provisions or language of this agreement in adjudicating or otherwise resolving any such lawsuit. No waiver by any of the parties hereto of any provision of or any default under this agreement shall constitute a waiver by the particular party of compliance thereafter with the same or any other provision of such party's respective right to enforce the same or any other provision thereafter. This agreement has been entered into in the State of Florida, and the validity, interpretation and legal effect of this agreement shall be governed by the laws of the State of Florida applicable to contracts entered into and performed entirely within the State of Florida, except that the law of the jurisdiction in which this agreement is approved pursuant to paragraph 18 below shall control the interpretation of this agreement as to issues of judicial approval of this agreement. Except as set forth in the preceding sentence, all claims, disputes or disagreements. which may arise out of the interpretation, performance or breach of this agreement shall be submitted exclusively to the jurisdiction of the state courts of the State of Florida or the Federal District courts located in Orange County. Artist hereby submits to the jurisdiction of the aforesaid courts and agrees that any process in any such action or proceeding may be served upon Artist by delivery or mail in the same manner as notices pursuant to paragraph 14 below.
- (b) If any part of this agreement, or the application thereof to any party, shall be adjudged by a court of competent jurisdiction to be invalid, such judgment shall not affect the remainder of this agreement, which shall continue in full force and effect, or the application of this agreement to the remaining parties. Headings used herein are for convenience only and shall not be used to interpret or modify this agreement.

- (c) In any instance where Company agrees to obtain Artist' prior consent or approval: (i) Artist' consent or approval shall not be unreasonably withheld; (ii) Artist's response to any request by Company for Artist' consent or approval shall be given within ten (10) business days following such request; (iii) any objection or disapproval shall be in writing, stating the specific reason(s) therefore; (iv) Artist' failure to give such written objection or disapproval within such ten (10) business day period shall be deemed Artist's consent or approval; (v) the exercise of such consent or approval right shall not delay the scheduled release of any Records hereunder or otherwise frustrate Company's exercise of its rights hereunder; and (vi) Company's inadvertent failure in any instance to request Artist's approval or consent shall not be deemed a breach of this agreement.
- (d) Artist recognizes that the sale of Records is speculative and agrees that the judgment of Company, as long as exercised responsibly and in good faith, with regard to any matter affecting the sale, distribution and exploitation of Records hereunder shall be binding and conclusive upon Artist. Nothing contained in this agreement shall obligate Company to make, sell, license, or distribute Records manufactured from the Masters recorded hereunder other than as specifically provided herein. The method, manner, frequency, timing and extent of release, packaging, promotion, advertising, distribution and exploitation of Masters and Records shall be within the sole discretion of Company unless otherwise herein specifically provided.
- (e) Neither Company nor Artist shall be entitled to recover damages or to terminate the Term by reason of any breach by the other party of its material obligations hereunder unless the party whose breach is alleged has failed to remedy such breach within sixty (60) days (15 days in the case of payment of monies hereunder) following receipt of the other party's notice thereof, or if such breach cannot be cured in such sixty (60) day period and if the party whose breach is alleged does not commence curing the breach during such sixty (60) day period and diligently completes the same in due course.
- (f) In entering into this agreement, Artist has and shall have the status of an independent contractor and nothing herein contained shall contemplate or constitute Artist as Company's agent or employee.
- the parties hereto and their respective successors, permitted assigns and representatives. Company may assign, license or otherwise dispose of this agreement or any of its rights hereunder, in whole or in part, to any distributor, subsidiary, affiliate or controlling corporation or to any Person owning or acquiring a substantial portion of the stock or assets of Company or to a record company (label and/or distributor) which is owned or otherwise controlled by an entity controlled in common with any the following: Time-Warner, Universal Music Group, EMI, BMG or Sony Music. Company may also assign its rights hereunder to any of its licensees to the extent necessary or advisable in Company's sole discretion to implement the license granted. Anist shall not have the right to assign this agreement or any of its rights hereunder without Company's prior written consent, except the right to receive payment of monies hereunder to a single payee (i.e., a loan out).
- (h) This agreement shall not be effective or binding until signed by all proposed parties hereto.
- 14. Notices. All notices to Artist shall be sent to Artist at the address first mentioned herein. All notices to Company shall be sent to Company at the address first set forth

herein. Each party may hereafter designate any other address by notice in writing to the other party. All notices shall be in writing and shall be sent by personal delivery, courier, or by registered or certified mail, return receipt requested. The date of any notice hereunder shall be deemed the date of the mailing thereof. Royalty statements (and payments) may be sent by Company to Artist by regular mail.

- agreement should conflict with the corresponding terms of any applicable distribution agreement, then the relevant terms of this agreement shall be deemed superseded by the terms of the distribution agreement and the Term, recording commitment and/or any and all other material terms hereunder will be deemed modified to reflect the terms set forth in such distribution agreement, if applicable. Any conflicting terms under this agreement shall be deemed superseded by the terms of such distribution agreement, provided that such superseding provision is not unduly restrictive to Artist and is within reasonable norms of the music industry.
- 16. Artist maintains the right to secure competent legal advice and representation in connection with the negotiation and signing of this agreement or to knowingly and voluntarily waive such right. Artist acknowledges that he understands such right and have acted accordingly in connection with the negotiation and signing of this agreement.
- 17. Artist and Louis J. Pearlman Enterprises, Inc., a Florida corporation ("LJPE") (which shall execute this agreement solely for the purpose of confirming its agreement to this paragraph 17) hereby agree as follows:
- (a) Neither LJPE nor any person, firm, corporation or other entity claiming rights or an interest in Artist by or under LJPE, shall receive or be credited with any share or portion of royalties or other consideration payable or accruing to the benefit of Artist hereunder, notwithstanding the fact that such interest may increase the profitability of Records sold by or for Company, it being acknowledged by Artist that absent the waiver herein contained, LJPE and/or Louis J. Pearlman could be subject to the appearance of a conflict of interest as between his respective interests and positions in Company and LJPE; and
- (b) Artist further acknowledges that his father Robert Carter has a beneficial interest in the Personal Management Agreement (along with LJPE)(the "PMA") and that such interest, absent the waiver herein contained, might otherwise give rise to an appearance of a conflict of interest. Based on the advice of independent legal counsel, Artist hereby knowingly waives any right he might otherwise have to assert such conflict as a defense to the enforceability of this agreement or the PMA.
- years of age. Artist shall cooperate with reasonable requests by Company in connection with any proceedings Company may institute, at its own cost and expense, to obtain judicial approval of this agreement. In that regard, Company hereby consents to the establishment of any trust fund or savings plan for her benefit as the court to which such petition for approval is submitted deems just and proper. At any time after Artist has reached the age of eighteen (18) years (or such other age as may be deemed the age of majority for purposes hereof), Artist shall, upon Company's request, reaffirm in writing the validity and enforceability of this agreement. If Company is unable to obtain judicial approval of this agreement, or if Artist fails to reaffirm this agreement within a reasonable period of time after Company's request therefore, Company shall have the right (but not the obligation, and without limiting Company's other rights and remedies) to terminate the Term hereof, in which event

Company shall have no further obligations to Artist hereunder (other than the obligation to pay monies due to Artist, if any).

IN WITNESS WHEREOF, the parties hereto have executed this agreement effective as of the date and year first set forth above.

#### **COMPANY**

TRANS-CONTINENTAL RECORDS, INC.

A Florida Corporation ("Company")

AGREED TO AND ACCEPTED BY:

Aaron Carter

ss# 592-88-4170

Agreed to as to paragraph 17 herein.

Louis J. Pearlman Enterprises, Inc.

## EXHIBIT "A"

ROBERT CARTER 9300 Overseas Highway Marathon, Florida 33050

Trans Continental Records, Inc. 127 W. Church Street, Suite 350 Orlando, Florida 32801

Gentlemen:

I have been advised that my son, Aaron Carter (hereinafter referred to as "Artist") has entered into an exclusive recording artist agreement dated as of December \_\_\_\_\_\_, 2004 with you ("the Agreement").

In consideration of your entering into the Agreement with Artist, and as further inducement to you to do so (it being to my benefit that you enter into the same), I hereby agree as follows:

- . I am Artist's parent and/or legal guardian;
- . Artist is presently a minor:

I will cooperate with you and shall sign such documents as you may reasonably request in connection with any proceeding to obtain judicial approval of the Agreement. As and when my consent is from time to time required under the Agreement, I agree that I will act in the Artist's behalf.

Very truly yours,

Robert Carter

Acknowledged as to form:

FL BAR NO. 0318050

PER POPER U

1	Waiver
2	I, Aaron Carter, declare:
3	I am a minor.
4	I am aware that a Petition to Approve or Confirm Contract of a Minor
5	(the "Petition") has been filed in the above-entitled matter and I am aware of
6	the contents of the Petition. I am also aware of the contents of the proposed
7	order approving the Petition. I hereby unconditionally waive to the fullest
8	extent permitted by law any further notice of the hearing on the Petition and
9	consent to the issuance of an order of the court approving the contract of
10	Aaron Carter.
11	I declare under penalty of perjury pursuant to the laws of the State of
12	California that the foregoing is true and correct.
13	,
14	Executed this 8th day of February, 2005.
15	
16	Hand Milly fait
17	Aaron Carter
A	
C)	
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1	Waiver
2	I, Robert Carter, declare:
3	I am the custodial parent of Aaron Carter, a minor.
4	I am aware that a Petition to Approve or Confirm Contract of a Minor
5	(the "Petition") has been filed in the above-entitled matter and I am aware of
6	the contents of the Petition. I am also aware of the contents of the proposed
7	order approving the Petition. I hereby unconditionally waive to the fullest
8	extent permitted by law any further notice of the hearing on the Petition and
9 ,	consent to the issuance of an order of the court approving the contract of
0	Aaron Carter.
1	I declare under penalty of perjury pursuant to the laws of the State of
2	California that the foregoing is true and correct.
3	,
4	Executed this 8th day of February, 2005.
5	The state of the s
6 7	Robert Carter

a desposed

WAIVER OF NOTICE OF HEARING AND CONSENT TO ISSUANCE OF ORDER
L Louis J. Pearlman, declare:

- 1. I am the President and Chief Executive Officer of Louis J. Pearlman Enterprises, Inc., a Florida corporation ("LIPE"), and I am making this declaration in such capacity. LIPE is a signatory of that certain Exclusive Recording Artist Agreement between Trans Continental Records, Inc. and Asron Carter dated December 7, 2004 ("Contract") for the soic purpose of making a disclosure in said Contract that LIPE is not entitled to receive any portion of the payments that Trans Continental Records, Inc. is going to pay Asron Carter pursuant to the Contract.
- 2. I am aware that a Petition to Confirm Contract of Minor is being filed on behalf of Petitioner Trans Continental Records, Inc. I am also aware of the contents of said Petition and the proposed Oder Approving Contract of Minor.
- 3. LIPE hereby unconditionally waives to the fullest extent permitted by law any further notice of the hearing on the Petition and consent to the issuance an order of the court approving the Contract.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this Misy of February 2005 at Orlando (city), Floral (state)

OUES J. PEARLMAN

1	Consent
2	I, Aaron Carter, declare:
3	I am a minor.
4	I hereby consent to a court order setting aside and preserving for my
5	benefit that fifteen percent (15%) (or a greater amount should the court so
6	order) of my net earnings under the recording contract that is the subject of
7	this action.
8	The amount set aside shall be put into a trust fund or other savings
9	plan in accordance with the order of the court.
10	I declare under penalty of perjury pursuant to the laws of the State of
11	California that the foregoing is true and correct.
12	
13	Executed this 8th day of February 2005.
14	
15 16	Aaron Carter
10	C Aaton Caton

A SATO SEA

**Parental Consent** 1 I, Robert Carter, declare: 2 I am the custodial parent of Aaron Carter, a minor. 3 I hereby consent to a court order setting aside and preserving for the 4 benefit of Aaron Carter that fifteen percent (15%) (or a greater amount 5 should the court so order) of the minor's net earnings under the recording 6 contract that is the subject of this action. 7 The amount set aside shall be put into a trust fund or other savings 8 plan in accordance with the order of the court. 9 I declare under penalty of perjury pursuant to the laws of the State of 10 California that the foregoing is true and correct. 11 12 Executed this 8th day of February, 2005. 13 14 15 16

# VERIFICATION OF PETITION TO APPROVE CONTRACT OF MINOR

I, Gregory McDonald, declare:

I am the President of Trans Continental Records, Inc., the Petitioner in the within matter. I have read the foregoing Petition and have personal, first hand knowledge the facts alleged therein. It know the facts alleged in the Petition are true except for those matters stated on information and belief and, as to those maters, I believe them to be true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 5 day of February 2005 at \_\_\_\_\_

\_(state)

OREGORY

#### ROBERT CARTER 9300 Overseas Highway Marathon, Florida 33050

Trans Continental Records, Inc. 127 W. Church Street, Suite 350 Orlando, Florida 32801

Gentiemen:

I have been advised that my son, Aaron Carter (hereinafter referred to as "Artist") has entered into an exclusive recording artist agreement dated as of December 7, 2004 with you ("the Agreement").

In consideration of your entering into the Agreement with Artist, and as further inducement to you to do so (it being to my benefit that you enter into the same), I hereby agree as follows:

- . I am Artist's parent and/or legal guardian;
- . Artist is presently a minor:

. I will cooperate with you and shall sign such documents as you may reasonably request in connection with any proceeding to obtain judicial approval of the Agreement. As and when my consent is from time to time required under the Agreement, I agree that I will act in the Artist's behalf.

Very truly yours,

Robert Carter

Acknowledged as to form:

BAR NO.

DATOR COLOR

7	Parental Consent		
2	I, Robert Carter, declare:		
3	I am the custodial parent of Aaron Carter, a minor.		
4	I hereby consent to a court order setting aside and preserving for the		
5	benefit of Aaron Carter that fifteen percent (15%) (or a greater amount		
6	should the court so order) of the minor's net earnings under the recording		
7	contract that is the subject of this action.		
8	The amount set aside shall be put into a trust fund or other savings		
9	plan in accordance with the order of the court.		
10	I declare under penalty of perjury pursuant to the laws of the State of		
11	California that the foregoing is true and correct.		
12			
13	Executed this 8th day of February, 2005.		
14 -			
15 16	Robert Carter		

1	Consent		
2	I, Aaron Carter, declare:		
3	I am a minor.		
4	I hereby consent to a court order setting aside and preserving for my		
5	benefit that fifteen percent (15%) (or a greater amount should the court so		
6	order) of my net earnings under the recording contract that is the subject of		
7	this action.		
8	The amount set aside shall be put into a trust fund or other savings		
9	plan in accordance with the order of the court.		
0	I declare under penalty of perjury pursuant to the laws of the State of		
1	California that the foregoing is true and correct.		
2			
3	Executed this 8th day of February 2005.		
4			
5 6	Aaron Carter		
~			

Waiver		
I, Aaron Carter, declare:		
I am a minor.		
I am aware that a Petition to Approve or Confirm Contract of a Minor		
(the "Petition") has been filed in the above-entitled matter and I am aware o		
the contents of the Petition. I am also aware of the contents of the proposed		
order approving the Petition. I hereby unconditionally waive to the fullest		
extent permitted by law any further notice of the hearing on the Petition and		
consent to the issuance of an order of the court approving the contract of		
Aaron Carter.		
I declare under penalty of perjury pursuant to the laws of the State of		
California that the foregoing is true and correct.		
Executed this 8th day of February, 2005.		
Aaron Carter		

Waiver

A DATE SES

1	Walver	
2	I, Robert Carter, declare:	
3	I am the custodial parent of Aaron Carter, a minor.	
4	I am aware that a Petition to Approve or Confirm Contract of a Minor	
5	(the "Petition") has been filed in the above-entitled matter and I am aware of	
6	the contents of the Petition. I am also aware of the contents of the proposed	
7	order approving the Petition. I hereby unconditionally waive to the fullest	
8	extent permitted by law any further notice of the hearing on the Petition and	
9	consent to the issuance of an order of the court approving the contract of	
10	Aaron Carter.	
11	I declare under penalty of perjury pursuant to the laws of the State of	
12	California that the foregoing is true and correct.	
13		
14	Executed this 8th day of February, 2005.	
15 16 17	Robert Carter	

A DALOS SEED

WAIVER OF NOTICE OF HEARING AND CONSENT TO ISSUANCE OF ORDER
L Louis J. Pearlman, declare:

- I am the President and Chief Executive Officer of Louis I. Pearlman Enterprises, Inc., a Florida corporation ("LIPE"), and I am making this declaration in such capacity. LIPE is a signatory of that certain Exclusive Recording Artist Agreement between Trans Continental Records, Inc. and Aaron Carter dated December 7, 2004 ("Contract") for the sole purpose of making a disclosure in said Contract that LIPE is not entitled to receive any portion of the payments that Trans Continental Records, Inc. is going to pay Aaron Carter pursuant to the Contract.
- 2. I am aware that a Petition to Confirm Contract of Minor is being filed on behalf of Petitioner Trans Continental Records, Inc. I am also aware of the contents of said Petition and the proposed Oder Approving Contract of Minor.
- 3. LIPE hereby unconditionally waives to the fullest extent permitted by law any further notice of the hearing on the Petition and consent to the issuance an order of the court approving the Contract.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

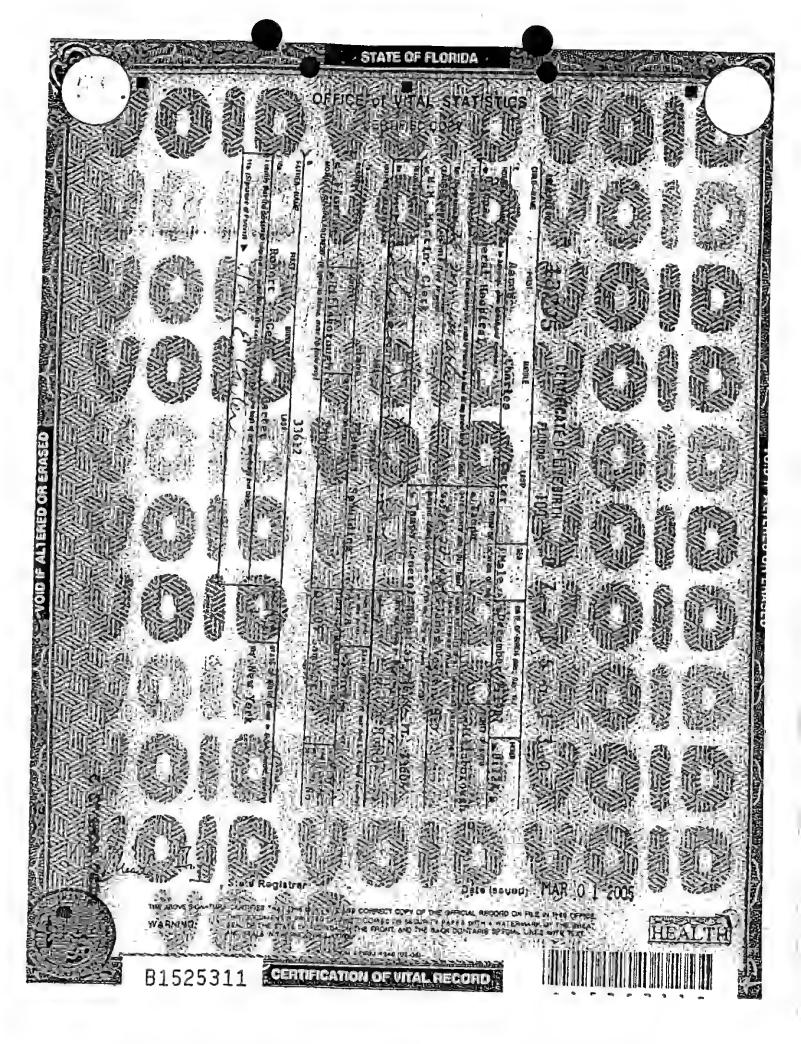
Executed this 15 day of February 2005 at Orlando (city), Flor Listette

OUIS J. PEARLMAN

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FILED W. GARY KURTZ, CSB #57546 LOS ANGELES SUPERIOR COURT LAW OFFICES OF W. GARY KURTZ 2625 Townsgate Road, Suite 330 2 APR 2 0 2005 Westlake Village, California Tel: (805) 449-8765/Fax: (805) 497-9158 Email: wgarykurtz@earthlink.net John A. Clarke, Clerk G. H. Schmu By Armida Gutierrez, Deputy 3 4 Attorneys for Petitioner Trans Continental Records, Inc. 5 6 7 SUPERIOR COURT OF THE STATE OF CALIFORNIA 8 COUNTY OF LOS ANGELES 9 STANLEY MOSK COURTHOUSE 10 11 Case No.: 35095136 In the Matter of the Contract between TRANS CONTINENTAL RECORDS, INC., 2 CERTIFIED COPY OF BIRTH CERTIFICATE OF Florida corporation, AARON CARTER 14 Petitioner. Dept. 2 15 and 16 AARON CARTER, a minor, by and through ROBERT CARTER, as guardian ad litem, 17 Respondent. 18 19 20 21 22 23 26 27 FXHIBIT G 28

CERTIFIED COPY OF BIRTH CERTIFICATE OF AARON CARTER



W. GARY KURTZ, CSB #57546 LOS ANGELES SUPERIOR COURT LAW OFFICES OF W. GARY KURTZ 2 2625 Townsgate Road, Suite 330 APR 2 0 2005 Westlake Village, California Tel: (805) 449-8765/Fax: (805) 497-9158 3 JOHN A. CLARKE, CLERK Email: wgarykurtz@earthlink.net 4 BY ARMIDA GUTIERREZ, DEPUTY Attorneys for Petitioner Trans Continental Records, Inc. 5 б 7 SUPERIOR COURT OF THE STATE OF CALIFORNIA 8 COUNTY OF LOS ANGELES 9 STANLEY MOSK COURTHOUSE 10 11 BS095136 Case No.: 12 In the Matter of the Contract between TRANS CONTINENTAL RECORDS, INC., & ORDER APPROVING CONTRACT OF MINOR Florida corporation, (California Family Code section 6751) 14 Petitioner, Dept. 2 15 and 16 AARON CARTER, a minor, by and through ROBERT CARTER, as guardian ad litem, Respondent. - 18 19 20 21 The petition of Petitioner TRANS CONTINENTAL RECORDS, INC. for approval 22 pursuant to California Family Code Section 6751 of the written contract of employment dated as of December 7, 2004 (the "Contract") between Petitioner and Respondent Aaron Carter (the "Minor"), a minor, appearing by and through Robert Carter as guardian ad litem, having been filed in Department 2 of the above-named Court, The Court hereby finds as follows: 28 EXHIBIT H

ORDER APPROVING CONTRACT OF MINOR (California Family Code section 6751)

ORDER APPROVING CONTRACT OF MINOR (California Family Code section 6751)

ORDER APPROVING CONTRACT OF MINOR (California Family Code section 6751)

ORDER APPROVING CONTRACT OF MINOR (California Family Code section 6751)





1 JEFFREY P. KRANZDORF, State Bar # 90207 18410 St. Moritz Drive LOS ANGELES SUPERIOR COURT Tarzana, California 91356 Telephone: (818) 343-1875 SEP 2 9 2004 3 IOHN A. CLARKE, CLERK W. GARY KURTZ, State Bar #57546 4 2625 Townsgate Road, Suite 330 Westlake Village, California 91361 5 Telephone: (805) 449-8765 6 Attorneys for Louis J. Pearlman Enterprises, Inc. and Bob Carter, a joint venture 7 8 SUPERIOR COURT OF THE STATE OF CALIFORNIA 9 COUNTY OF LOS ANGELES 10 11 In the matter of the contract between LOUIS J.) Case No. BS 090645 PEARLMAN ENTERPRISES, INC., a Florida) 12 DECLARATION OF corporation, and BOB CARTER, a joint venture, **JEFFREY** KRANZDORF 13 Petitioner. Dept: 2 14 and 15 AARON CARTER, a minor by and through BOB CARTER as guardian as guardian ad litem, 16 Respondent. 17 18 19 20 I, Jeffrey P. Kranzdorf, declare and state as follows: 21 1. I am an attorney at law admitted to practice before all the Courts in the State of California, /<sub>4</sub> 22 as well as the State of New York, and at all times relevant herein, I have been the attorney for Louis J. Pearlman Enterprises, Inc. and Robert Carter, a joint venture, the Petitioner in the within action. 2. All of the facts set forth herein are of my own personal knowledge, and if called upon to testify thereto, I could and would competently and truthfully do so. ⊋25 ⊟ ⊟ 26 3. I am preparing the this declaration in response to the Court's apparent concern that Robert 27 Carter, the father of Aaron Carter, the minor whose contract is in question, is a member of the joint

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venture that is acting as the personal manager of Aaron Carter and whether this relationship raises a conflict of interest in the negotiation of the contract in question (i.e., whether the contract is fair to the minor). Additionally, I am submitting this declaration in connection with the issue of whether a personal management agreement is subject to approval in accordance with Family Code § 6750.

- 4. By way of background, I have been practicing law from and since November 29, 1979. For nearly 25 years, I have specialized in the field of entertainment law, and I have extensive experience in the areas of the personal management of entertainers and personalities as well as theatrical motion pictures, sound recordings, television programs, home entertainment properties, music publishing assets, and as such I am very familiar with entertainment industry standards, customs, and practices relating to each of the same.
- I am the attorney who was principally responsible for negotiating and drafting the personal management agreement between Petitioner and Aaron Carter. During these negotiations, Aaron Carter was independently represented by Derek Saltzman, an experienced music business attorney practicing in Florida. These negotiations were conducted at arms length and several drafts of the agreement were exchanged before final agreement was reached. In my opinion, the terms of the agreement are more favorable to Aaron Carter than is common in the industry in that they provide for, among other things, a substantial cash advances by Louis J. Pearlman Enterprises, Inc. while still maintaining a commission level that is standard in the industry. Accordingly, Bob Carter, as a member of the joint venture that constitutes Petitioner, will not receive any profit great than any other personal manager would normally receive.
- Though still a minor, Aaron Carter is a seasoned entertainer. Aaron Carter became an entertainer of nationwide and world renown more than a half dozen years ago. He has previously been a party to at least two (2) professional recording contracts; regularly tours making concert

performances and other personal appearances across the United States and elsewhere and is currently starring in a motion picture entitled, "Pop Star" for TAG Entertainment, Inc. I am further informed and believe that Aaron Carter has starred in his own Disney Channel television special. Aaron Carter is the younger brother of Nick Carter, a member of Backstreet Boys, who were previously managed 5 by an affiliate of Petitioner, Louis J. Pearlman Enterprises, Inc.

- The Petitioner has as of the date hereof, already invested considerable time, capital and effort into the development of Aaron Carter's career. Further, Petitioner has already advanced not insubstantial sums of money to Aaron Carter. Further, Petitioner's continuing rights and interests under the Agreement are completely contingent upon Aaron Carter's continuing financial success.
- I am informed and believe that if this court fails to ratify the Agreement the Petitioner's interest therein, despite its investment, its good faith performance; will be jeopardized as the Agreement absent such ratification will be for all intents and purposes unenforceable against Aaron Carter. I believe that if such personal management agreements are not subject to court ratification in the State of California, minor artists such as Aaron Carter will be denied the able counsel of highly 16 Iqualified and experienced personal managers such as the Petitioner, which has been instrumental in the careers of many major entertainers over approximately the past 15 years. Surely such an unintended consequence would not serve the purpose of minor entertainers or legitimate personal managers.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 19th day of August 2004 at Tarzana, California.

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# MINOR'S EMPLOYMENT CONTRACT INFORMATION SHEET

Please return <u>original</u> completed form to Tim Rogan

TRUSTEE'S STATEMENT

(may be used to comply with California Family Code § 5750 or seq.)

IMPORTANT

California law requires that the Trustee of a Minor's Blocked Trust Account provide the Minor's employer with the Information contained on this page.

The Trustee must either complete this form OR provide a photocopy of a Trustee's Statement which complete with California Family Code \$ 5753.

Information About the Minor's California Blocked Trust Account							
Minors Full Legal Name: ARRON CHARLES CARTER							
Full Name of Trustae(s): ROBERT CARTER							
Name of Financial Institution: BANK OF AMERICA							
Address of Financial Institution: 900 WEST TRADE ST.  CHARLOTTE NC 28255	•						
Pinancial Institution Contact: ROSER STEELE Telephone: (310) 416 - 6815	٠.						
Exact Name of Account: AARON CARTER BLOCKED TRUST							
Account Number: 1479 - 141884							
I hereby declare under penalty of perjuty under the laws of the State of California that the facts set forth above are true and correct.  Oate: 8/3//05	ř						

Fulf-MolyankOR Deuty EnchagreemenunGarter, Auton APTITA Gorandi

# Damon C. Glisson

5908 Fortune Place Apollo Beach, FL 33572-2643 Teléphone 813-645-6796

ATTORNEY AT LAW

E-Mail internet: mbpy74a@profigy.com Fax 813-645-8572

April 20, 1999

#### PERSONAL & CONFIDENTIAL

Louis J. Pearlman Transcontinental Records, Inc. 7380 Sand Lake Road, Suite 200 Orlando, Florida 32819

Re: Aaron Carter Recording Agreement

Dear Mr. Pearlman:

As you know I represent Aaron Carter in several legal matters. Jane Carter, the court appointed guardian and parent of Aaron Carter has engaged my services to represent him in matters regarding the contract referenced below. The Guardian and minor do hereby repudiate and disaffirm the contract described as:

Title: EXCLUSIVE ARTIST RECORDING AGREEMENT

Parties: TRANCONTINENTAL RECORDS, INC., AARON CARTER

Date: NOVEMBER 10, 1997

Cordially.

Damon C. Glisson

/AL

GATOS OBS

Donon C. Glisson

5908 FORFUNE PLACE APOLLO BEACH, PL 53572-2643 TELEPHONE 813-645-6795

ATTORNEY AT LAW

E-Mail Internet: mi:py/41@prodizy.com Fax 813-645-8572

April 2, 1999

Joel H. Weinstein, Esquire Epstein, Levinsohn, Bodine, Hurwitz & Weinstein, LLP 1790 Broadway New York, New York 10019-1412

RE: Esecutory Contract dated October 16, 1991

Deat Mr. Weinstein:

As you know, there is an Executory Contract between Aaron Carter and Edel America Records, Inc. dated the 16th day of October, 1998 and that I represent Aaron Carter and the Guardian jane S. Carter. This letter is NOTICE that Aaron Carter hereby repudiates and disaffirms the contract described.

Since no license exists under this contract and he has also disaffirmed the so-called Trancontinental agreement Mr. Carter makes claim to all of the Masters that have been recorded to date and demands that you return all of said masters in your possession. This is also NOTICE to you to cease to license any of Mr. Carter's work to third parties. At pleasen, we do not intend to enjoin any existing licenses you may have given. However, we do reserve the right to pursue claims for royalties, quantum meruit or unjust enrichment as a result of all of your prior licensing of Mr. Carter's master secondings.

Under Florida law we are required to return all consideration in existence. Therefor please find enclosed the \$10,000.00 check for anomaly fees which we have previously comended to be initialized. The balance of the consideration, to wit: \$1,000.000 will be transmitted in the near future: Please advise if your client has any special directions as to same. Otherwise it will be forwarded in you at the above address.

Exhibit K

RE: Executory Contract dated October 16, 1998

PAGE 2

This letter is only for the purposes expressed berein and is not to be construed to be a waiver of any clients rights which are all expressly reserved, nor is this intended to exhaustively state all of my clients rights which are also expressly reserved.

Sincerely.

Danson C. Glisson

D¢G/lma

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# Holland+Knight

Tel 305 374 8500 Fax 305 789 7799 Holland & Knight LLP 70] Brickell Avenue, Suite 3000 Miami, FL 33131-2847 www.bklaw.com

Jorge L. Hernandez-Toraño 305 789 7721 jorge-hernandez-torano@hklaw.com

January 25, 2006

Louis I. Pearlman Transcontinental Companies 127 West Church Street Orlando, Florida 32801

Re: Aaron C. Carter

Dear Sir/Madam:

We write on behalf of our client, Mr. Aaron C. Carter.

For purposes of this letter, the term "Carter Documentation" shall mean all agreements, documents and/or instruments in your possession that purport to legally bind Mr. Carter to you or any other third party known to you.

As you may be aware, Mr. Carter recently attained adulthood. Please take note that Mr. Carter reserves all his rights relating to the Carter Documentation, including, but not limited to, his rights to cancel or void any of the Carter Documentation to which Mr. Carter's signature was affixed at the time he was a minor.

Kindly furnish to us all Carter Documentation in your possession. Please include a certification, signed by your records custodian, that the records you are providing are a complete and accurate copy of all the Carter Documentation in your possession. If you will kindly advise us of the cost of duplicating and certifying these records, we will promptly remit payment.

Your prompt attention to this request will be greatly appreciated.

Mr. Carter has co-signed this letter below to evidence his agreement with its reservation of rights and instructions. All further communication to Mr. Carter from you or on your behalf should be in writing and addressed to the undersigned.

Very truly yours,

HOLLAND & KNIGHT LLP

ge Hernandez-Toraño

# Holland+Knight

Tel 305 374 8500 Fax 305 789 7799

Holland & Knight LLP 701 Brickell Avenue, Suite 3000 Miami, FL 33131-2847 www.hklaw.com

Jorge L. Hernandez-Toraño 305 789 7721 jorge.hernandez-torano@hklaw.com

VIA Federal Express and First Class Mail

March 6, 2006

Louis J. Pearlman Transcontinental Companies 127 West Church Street Orlando, Florida 32801

Re: Aaron C. Carter

Dear Mr. Pearlman:

On January 25, 2006, we sent you a letter requesting "all agreements, documents and/or instruments in your possession that purport to legally bind Aaron Carter to you or any other third party known to you." To this date, we have not heard from you or received any response to our request. We thus assume that no such agreements, documents, or instruments exist and that Mr. Carter is not legally bound to you, or any entities known to you, in any manner whatsoever.

In any event, Mr. Carter has asked us to inform you that he hereby disaffirms, cancels, and voids any and all such agreements, documents and/or instruments that may have been signed by Mr. Carter, or that may have been signed by others on his behalf, at the time he was a minor.

Please let us know if you have any questions or concerns regarding the above matter.

Very truly yours,

HOLLAND & KNIGHT LLP

Jørge Hernandez-Toraño

A CHARACO SIDA

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		CONFORMED COPY OF DRIGINAL FILED			
1	FOLEY & LARDNER LLP 2029 CENTURY PARK EAST, SUITE 3500 LOS ANGELES, CA 90067-3021	Los Angeles Superior Court			
2	TELEPHONE: 310.277.2223 FACSIMILE: 310.557.8475	MAR 2 1 2005			
3	JAMES D. NGUYEN, BAR NO. 179370	John A. Clarke, Executive Officer/Clerk  By  Solution  Description			
4	ATTORNEYS FOR PLAINTIFF TRANS CONTINENTAL RECORDS, INC.	S. Gabb Deputy			
5	and the same of th				
6					
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. 8	SUPERIOR COURT OF THE STATE OF CALIFORNIA				
9	FOR THE COUNTY OF LOS ANGELES				
10	CENTRAL DISTRICT				
11	TRANS CONTINENTAL RECORDS,	CASE NO: 8 C 3 4 9 3 1 7			
12	INC., A FLORIDA CORPORATION,	}			
13	PLAINTIFF,	COMPLAINT FOR DECLARATORY RELIEF			
14	VS. "A A DONIC CAPTED AND NOTICE				
15	AARON C. CARTER, AN INDIVIDUAL,	AMOUNT IN DISPUTE EXCEEDS \$25,000]			
16	DEFENDANT.	}			
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28	EXHIBIT O	/			
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CASE NO. TO BE ASSIGNED

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Plaintiff Trans Continental Records, Inc. ("Trans Continental"), by and for its complaint against Defendant Aaron C. Carter ("Carter") alleges to the Court as follows:

1. This action arises from unlawful attempts by Aaron Carter, a music artist. to disaffirm a recording contract he entered into with Trans Continental on or about December 7, 2004 (the "Recording Agreement"), while he was a minor. In February 2005, the Recording Agreement was judicially approved by this Court pursuant to California Family Code section 6751 (which is specifically designed to enforce contracts with minors involved in the entertainment industry). Since then, Trans Continental has invested in developing Carter's music career and recordings. But now, just after reaching the age of majority in December, 2005, Carter is improperly attempting to escape his obligations to Trans Continental by seeking to disaffirm the Recording Agreement. Family Code section 6751 expressly prohibits this exact scenario, and does not allow an entertainment performer to disaffirm a contract while a minor if that contract has been judicially approved. Trans Continental maintains that the Recording Agreement is still binding against Carter. Thus, there is a live controversy between the parties, and Trans Continental seeks a declaration from this Court finding the Recording Agreement to be valid and binding upon Carter.

### THE PARTIES

- 2. Plaintiff Trans Continental Records, Inc. is a corporation, duly formed and existing under the laws of the State of Florida with its principal place of business in the State of Florida, County of Orange. Trans Continental conducts business in the State of California, and in the County of Los Angeles.
- 3. Defendant Aaron C. Carter is an individual, and his last known residence was in Marathon, Florida. Carter has conducted significant business and professional activities in the State of California and in the County of Los Angeles, including in connection with the Recording Agreement at issue in this action.

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#### **VENUE**

Venue is proper in this Court because the Recording Agreement in dispute 4. was judicially approved by this Court, pursuant to California Family Code section 6751, as evidenced by this Court's Order entered on April 20, 2005 (attached as Exhibit C hereto). Since entering into the Recording Agreement, Carter has appeared and performed at numerous events and professional appearances (such as writing and recording sessions; television, radio and press promotional interviews; and personal appearances, all in connection with the Recording Agreement) in the County of Los Angeles, State of California. In addition, Trans Continental maintains an office at 733 North Kings Road, Number 340, Los Angeles, California, 90069.

#### FACTUAL ALLEGATIONS

- 5. On December 7, 2004, Trans Continental and Carter entered into an Exclusive Recording Artist Agreement ("Recording Agreement") pursuant to which Carter would act as a recording artist for Trans Continental and deliver sound recordings in exchange for certain compensation and royalties. The Recording Agreement is attached as Exhibit "A."
- Carter was born on December 7, 1987 and reached the age of majority on December 7, 2005. At the time Carter entered into the Recording Agreement, he was seventeen years of age and still a minor. Accordingly, Carter was represented by and through Robert Carter, his father, as guardian ad litem in connection with the Recording Agreement.
- 7. Because Carter was a minor at the time the Recording Agreement was executed, Trans Continental petitioned this Court on February 22, 2005 to approve the Recording Agreement, pursuant to California Family Code Section 6751 (which provides a mechanism for obtaining judicial approval of contracts with minors who provide performing services in the entertainment industry). That action was entitled In the Matter of the Contract between Trans Continental Records, Inc. and Aaron Carter, Los Angeles

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Superior Court Case No. BS095136, and the petition is attached as Exhibit "B."

- 8. On April 20, 2005, the Honorable Robert Schnider of this Court approved the Recording Agreement as to all of its terms and conditions. The Order is attached as Exhibit "C."
- 9. Carter reached the age of majority in December 2005. Just one month later, on January 25, 2006, his counsel sent a letter to Trans Continental announcing that Carter had recently reached the age of majority and that Carter reserved his right to cancel or void various agreements that Carter signed with Trans Continental while he was a minor—including the Recording Agreement. That letter is attached as Exhibit "D."
- 10. On March 6, 2006, counsel for Carter sent another letter to Trans
  Continental stating that Carter "hereby disaffirms, cancels, and voids any and all such
  agreements, documents and/or instruments that may have been signed by Mr. Carter, or
  that may have been signed by others on his behalf, at the time he was a minor." That
  letter is attached as Exhibit "E."
- 11. There currently exists an actual controversy between Trans Continental and Carter concerning their respective rights and duties under the Recording Agreement in particular, whether the Recording Agreement remains valid and binding against Carter or whether Carter has the right to disaffirm the Recording Agreement despite the fact that it was judicially approved while he was a minor.
- 12. California Family Code section 6750 applies to contracts where an unemancipated minor contracts with a third party for a variety of reasons. Section 6750 encompasses a contract where a minor is employed or agrees to render "artistic or creative services." The statute defines "artistic or creative services" to mean "services as an actor, actress, dancer, musician, comedian, singer, stunt person, voice-over artist, or other performer or entertainer, or as a songwriter. . ."

13. In turn, California Family Code section 6751 specifically states the following:

A contract, otherwise valid, of a type described in Section 6750, entered into during minority, cannot be disaffirmed on that ground either during the minority of the person entering into the contract, or at any time thereafter, if the contract has been approved by the superior court in any county in which the minor resides or is employed or in which any party to the contract has its principal office in this state for the transaction of business.

- 14. Carter is a singer and musical artist and entered into the Recording Agreement with Trans Continental in order to further his musical career. Because Carter is a "singer" and music artist, the Recording Agreement, by definition, is subject to California Family Code section 6750. Therefore, although Carter was a minor, the Recording Agreement with Trans Continental is enforceable.
- 15. Trans Continental contends that all agreements, documents, and instruments that Carter executed with Trans Continental while he was a minor including the Recording Agreement judicially approved by a judge of this Court remain valid and that Carter remains bound thereby. Carter disputes that contention.

#### FIRST CAUSE OF ACTION

## (Declaratory Relief Based Upon California Family Code Section 6751)

- 16. Trans Continental reincorporates by reference the allegations of paragraphs2 through 15 of this Complaint.
- 17. The Recording Agreement between Carter and Trans Continental cannot be disaffirmed by Carter based on his minority. California Family Code section 6751 directly applies to this instance, forbidding minors from disaffirming contracts based on their age during their minority or "at any time thereafter" if the contract was approved by

the superior court in the county in which the minor resides or is employed or in which any party to the contract has its "principal office in this state" for the transaction of business. The Recording Agreement was approved by this Court shortly after its execution. In addition, Carter was employed in the County of Los Angeles — having spent January through April 2005 in Los Angeles to attend songwriting and recording sessions; making television, radio and other promotional appearances; and making other personal appearances, all in connection with the Recording Agreement. Furthermore, Trans Continental has its principal California office in Los Angeles. Therefore, the requirements of California Family Code section 6751 were met, and Carter cannot now disaffirm the Recording Agreement.

18. While Trans Continental contends that the Recording Agreement is valid and binding upon Carter, Carter claims the right to disaffirm that contract. Thus, there currently exists an actual controversy between Trans Continental and Carter concerning their respective rights and duties under the Recording Agreement — in particular, whether Carter has the right to disaffirm the Recording Agreement because he was a minor at the time it was executed.

#### PRAYER FOR RELIEF

WHEREFORE, Trans Continental prays for relief as follows:

- 1. For a judicial declaration that the Recording Agreement is and shall remain binding and effective between Carter and Trans Continental, and Carter cannot disaffirm the Recording Agreement based on his minority status at the time of its execution, in accordance with California Family Code section 6751;
  - 2. For attorneys' fees and costs incurred herein;
  - 3. For any other relief that the court deems proper.

FOLEY & LARDNER LLP JAMES D. NGUYEN

By: \ James Cue

ATTORNEY FOR PLAINTIFF
TRANS CONTINENTAL RECORDS, INC.

IN THE CIRCUIT COURT OF THE NINTH JUDICIAL CIRCUIT IN AND FOR ORANGE COUNTY, FLORIDA

CASE NO.:

AARON CARTER,

Plaintiff,

VS.

LOUIS J. PEARLMAN and TRANS CONTINENTAL RECORDS, INC., and LOUIS J. PEARLMAN ENTERPRISES, INC.,

Defendants.

#### **COMPLAINT**

Plaintiff, AARON CARTER, by and through the undersigned counsel, hereby files the following complaint against Defendants, LOUIS J. PEARLMAN, TRANS CONTINENTAL RECORDS, INC., and LOUIS J. PEARLMAN ENTERPRISES, INC., and alleges:

### SUBJECT MATTER JURISDICTION

1. The amount in controversy in this action exceeds \$15,000, exclusive interest, court costs and attorney's fees. The Court also has subject matter jurisdiction by virtue of the claims asserted and the remedies requested, both at law and in equity.

# PERSONAL MATTER JURISDICTION

- 2. Plaintiff, AARON CARTER (hereinafter "CARTER" or "Plaintiff") is a successful multi-talented pop singer and actor. For the majority of his life, CARTER has dedicated himself to perfecting his craft of singing, dancing, entertaining, and both film and television acting.
- 3. Robert Carter was, until CARTER reached the age of majority on December 7, 2005, the parental guardian of CARTER.
- 4. Defendant, LOUIS J. PEARLMAN (hereinafter "PEARLMAN") is a resident of Orange County, Florida.
- 5. Defendant, TRANS CONTINENTAL RECORDS, INC. (hereinafter referred to as "TRANS CONTINENTAL"), is a Florida corporation having its principal place of business at 127 West Church Street, Suite 350, Orlando, Florida 32801.
- 6. Defendant, LOUIS J. PEARLMAN ENTERPRISES, INC., (hereinafter referred to as "LJPE"), is a Florida corporation having its principal place of business at 127 West Church Street, Suite 350, Orlando, Florida 32801.
- 7. The parties to this proceeding have submitted themselves to the jurisdiction of the courts of the State of Florida for all claims, disputes or disagreements arising out of the interpretation, performance or breach of the Ecclusive Artist Recording Agreement (hereinafter "Recording Agreement")

entered into by the parties, at Paragraph 13(a). The Recording Agreement is attached as Exhibit A.

- 8. PEARLMAN is, or was, an officer, director, agent and/or controlling shareholder of TRANS CONTINENTAL and LJPE, which PEARLMAN utilized for the purpose of conducting the business of, and contracting for and on behalf of, CARTER.
- 9. CARTER is informed and believes, and thereon alleges that Defendants PEARLMAN, TRANS CONTINENTAL, and LJPE (hereinafter collectively referred to as "Defendants") are and, at all times material hereto, were the alter egos of each other and that there now exists and, at all times material hereto, has existed a unity of interest and ownership among such Defendants such that any separateness has ceased to exist in that PEARLMAN, TRANS CONTINENTAL, and LJPE, and each of them, used assets of the other for his, its or their separate and individual purposes, and caused assets to be transferred to each other without adequate consideration.
- PEARLMAN completely owned, controlled, dominated, used, managed, and operated TRANS CONTINENTAL, LJPE, and other companies, and intermingled assets of said alter egos for his convenience. Any obligation, duty and liability of TRANS CONTINENTAL and/or LJPE as=alleged herein shall be deemed to

similarly be an obligation, duty and liability of the alter-ego PEARLMAN, and vice versa.

- 11. CARTER is informed and believes, and thereon alleges that adherence to the fiction of the separate existence of PEARLMAN, TRANS CONTINENTAL, and LJPE, and each of them, as parties distinct from each other would permit abuse of the corporate privilege and would sanction fraud and promote injustice.
- 12. From practically his first meeting with CARTER, PEARLMAN ingratiated himself with him and his parents and earned their trust by repeatedly stating, among other things, that they were "family" and that he was an experienced, educated businessman who would protect them and look after CARTER'S best interests.
- 13. The core of PEARLMAN'S design was a web of interrelated companies and contracts by which PEARLMAN siphoned off the vast majority of CARTER'S earnings.
- 14. By 2004, PEARLMAN simultaneously owned and controlled CARTER'S management, record label, merchandising, and touring, and also exercised dominion over CARTER'S personal life. Consequently, PEARLMAN'S dyries to CARTER were both contractual and fiduciary in nature.
- 2 15. In or about 2004 PEARLMAN induced CARTER to enter into an Exclusive Management Agreement (hereinafter "Exclusive Management

Agreement") pursuant to which PEARLMAN would, as CARTER'S agent, comanage all the affairs of CARTER with CARTER'S father, Robert Carter.

- 16. Various disputes arose between PEARLMAN, CARTER and CARTER'S parents, which resulted in CARTER initiating litigation against PEARLMAN and TRANS CONTINENTAL.
- 17. The litigation was settled by the execution of a settlement agreement. Prior to and at the time of the settlement, PEARLMAN fraudulently represented to CARTER and to Robert Carter that there were no outstanding liabilities to or royalties due to CARTER. PEARLMAN concealed and/or failed to disclose the improper actions that he had taken in order to induce Robert Carter to enter the settlement agreement on behalf of his son and ward, CARTER.
- 18. Among the many terms of the settlement, Jane Carter, co-manager with Robert Carter, was terminated as CARTER'S manager, but CARTER was obligated to continue making payments to PEARLMAN, TRANS CONTINENTAL, and Robert Carter, and PEARLMAN continued to manage CARTER.
- 19. PEARLMAN and TRANS CONTINENTAL falsely represented to CARTER that there were no outstanding monies owed to CARTER, a representation that was a material inducement to CARTER in order for CARTER to after the settlement with PEARLMAN and TRANS CONTINENTAL, and as an

inducement for CARTER to take no action to mitigate and/or pursue potential claims against Defendants.

- 20. PEARLMAN repeatedly told CARTER that he had not yet realized much profit because CARTER was in an un-recouped position, and because any money that CARTER might have been due was tied up in the "pipeline," and therefore, had not yet been received. PEARLMAN made these statements in order to induce CARTER to refrain from taking further legal action against him, and to induce CARTER to agree to PEARLMAN'S ongoing management. CARTER reasonably relied on the statements to his detriment.
- 21. PEARLMAN was at fault for committing wrongful acts against CARTER and for not acting in CARTER'S best interest while acting as CARTER'S manager, agent, and without full disclosure to CARTER, to wit:
  - a. creating multiple corporations including TRANS CONTINENTAL and LJPE, with the intent to usurp, divert and misappropriate certain rights, property, revenues, income, profits, royalties, and opportunities due to CARTER without the knowledge, consent, agreement or vote of CARTER;
  - b. incorporating and/or using business entities, including TRANS CONTINENTAL and LJPE, to appropriate and procure for himself, directly or indirectly, royalties, business opportunities, contracts, property rights, revenues, income and profits generated by the promotion, merchandising, recording and touring of CARTER, while fraudulently representing to CARTER that CARTER was not generating revenues, income and/or profits or, alternatively, that monies owed CARTER were "tied up in litigation";
  - c. concealing from and/or refusing to provide timely and accurate accountings and royalties to CARTER.

- 22. Acting both as CARTER'S manager as well as CARTER'S record label, PEARLMAN occupied a position of confidentiality and trust, and owed a fiduciary duty to CARTER, which includes all of the following duties:
  - a. to act in good faith;
  - b. to discharge his duties with the highest degree of care to his fiduciary;
  - c. to act in a manner he reasonably believed was in the best interest of CARTER;
  - d. to refrain from entering into transactions from which PEARLMAN would derive an improper personal benefit, either directly or indirectly;
  - e. to maintain and provide timely and accurate accounting records;
  - f. to make full disclosure of any and all facts before inducing CARTER to enter agreements.
- 23. PEARLMAN breached his fiduciary duty to CARTER, by using multiple corporations including TRANS CONTINENTAL and LJPE for the sole purpose of usurping certain opportunities, property, revenues, income, royalties, and profits due to CARTER, for PEARLMAN'S own benefit without providing notice and/or obtaining the vote and/or consent and/or ratification of CARTER, and by ignoring contractual requirements, and corporate formalities, and by failing to disclose information. PEARLMAN'S breaches were concealed from CARTER.
- 24. PEARLMAN, while a manager of CARTER, breached his fiduciary of the CARTER by actively arranging for CARTER'S royalties, corporate opportunities and assets to be usurped and diverted from CARTER to himself and his corporations, including TRANS CONTINENTAL and LIPE. He did this, upon

information and belief, with the intention of wrongfully enriching himself far beyond industry standards and/or the contractual provisions of the Recording Agreement, and outside of any understanding of or agreement with CARTER.

These breaches were concealed from CARTER.

- 25. On or about December 7, 2004, PEARLMAN exerted financial pressure and undue influence to induce CARTER, a minor with no legal capacity, and his father Robert Carter to enter the Recording Agreement.
- 26. The Recording Agreement was executed by CARTER, PEARLMAN on behalf of LJPE, and TRANS CONTINENTAL.
- 27. At the time of the execution of the Recording Agreement, CARTER was represented by PEARLMAN and by his parental guardian, Robert Carter. At the time of the execution of the Recording Agreement, Robert Carter and PEARLMAN were co-managers of CARTER.
- 28. PEARLMAN exerted undue influence upon CARTER to induce him to enter the Recording Agreement, to wit:
  - a) CARTER was a minor, and was subject to influence;
  - b) PEARLMAN had the opportunity as CARTER'S co-manager with CARTER'S father to exert undue influence;
  - c) PEARLMAN was disposed to exert undue influence; and
  - d) as a result, CARTER entered into an unconscionable Recording Agreement without the available protections of Florida court approval promised by PEARLMAN.

- 29. The term of the Recording Agreement was one (1) year with six (6) consecutive options for a total of seven (7) years. The Recording Agreement required CARTER to pay TRANS CONTINENTAL unconscionable royalty rates far exceeding industry standards, i.e. fifty percent (50%) of CARTER'S net advances and royalties, among other things.
- 30. The Recording Agreement provides at Paragraph 13(b) that provisions requiring Defendants to provide accountings may be held enforceable; notwithstanding a finding of invalidity of provisions requiring CARTER'S performance, or the termination of the Recording Agreement.
- 31. The effect of the Recording Agreement was expressly conditioned "upon and subject to the approval of the state courts of Florida having jurisdiction in the premises," at Paragraph 10(n) of the Recording Agreement, which additionally stated that CARTER was not a resident of the State of California.
- 32. The Recording Agreement provides at Paragraph 13(a) that the Recording Agreement was entered into in the State of Florida and that its validity, interpretation and legal effect shall be governed by the laws of the State of Florida.
- 33. The Defendants did not obtain the required approval of Florida courts, for did they file a petition for the removal of nonage disability in Florida pursuant to § 743, Fla. Stat., notwithstanding that Florida was the choice of law and forum

for all matters relating to CARTER'S minority and the Recording Agreement and the requirements of Paragraph 10(n).

- 34. § 743, Fla. Stat. requires, among other things, that in order for Florida courts to remove the nonage disability of a minor to enter contracts, certain protections are available to the minor, including, but not limited to:
  - a. no contract with the minor exceed three years;
  - b. the minor have a guardian ad litem appointed by the court;
  - c. the minor, parental or legal guardian, and the guardian ad literh appear in court as a procedural safeguard for the minor's best interest;
  - d. a guardianship plan be approved by the court to set aside the minor's earnings.
- 35. On or about February 20, 2005, Defendants, notwithstanding the requirement that the Recording Agreement be submitted to a Florida court for approval, petitioned the Superior Court of the State of California for approval of the Recording Agreement, which was a material breach of the Recording Agreement, and Defendants made false and/or erroneous statements in the petition, including that "the recording agreement is fair and reasonable and in the best interest of the minor," and that "the appointment of a different individual is not required in the best interest of the minor."
- 36. Earlier, on February 8, 2005, CARTER was induced by PEARLMAN to sign a waiver of notice of any hearing on Defendants' California petition, and a consent to the issuance of an order approving the Recording Agreement.

- 37. The California petition was improper because CARTER, who was a minor at the time, did not have an independent guardian ad litem to protect his best interest, nor did CARTER reside in California, nor did Defendants have their principal office in the State of California.
- 38. On or about April 20, 2005, the Superior Court of the State of California entered an order (hereinafter "California order") approving the Recording Agreement.
- 39. In early 2005, upon information and belief, the California court denied PEARLMAN'S and TRANS CONTINENTAL'S motions for approval of the Exclusive Management Agreement with CARTER.
- 40. Pursuant to the California order at Paragraph 5(b), Defendant PEARLMAN'S co-manger, Robert Carter, who simultaneously acted as CARTER'S guardian, was obligated to pay the taxes on the 15% of CARTER'S gross earnings which were to be set aside in a trust pursuant to California Family Code § 6752(e) and pursuant to the petition at page 3, Paragraph 2 submitted by the petitioner, Defendant TRANS CONTINENTAL.
- 41. In or about September 2005, CARTER terminated the Exclusive Management Agreement with PEARLMAN.
  - 42. On December 7, 2005, CARTER reached the age of majority.

- On January 25, 2006 counsel for CARTER, Holland & Knight, sent a 43. letter to Defendants informing them of CARTER'S attaining majority and requesting all of CARTER'S agreements and documents. (Exhibit B, Holland & Knight letter).
- On or about March 6, 2006 counsel for CARTER, Holland & Knight, 44. sent another letter to Defendants requesting documents and information relative to the Recording Agreement and disaffirming agreements entered into between CARTER and the Defendants while CARTER was a minor. (Exhibit C, Holland & Knight letter No. 2). The entreaties of CARTER'S counsel were ignored by PEARLMAN and the other Defendants.
- PEARLMAN, TRANS CONTINENTAL, and LJPE have refused to 45. provide documents, including royalty statements, to CARTER that evidence Defendants' wrongful actions taken against CARTER without the knowledge, approval or consent of CARTER.
- As a result of PEARLMAN'S breaches of his statutory and fiduciary duties owed to CARTER, CARTER has been damaged.

# Count I INJUNCTIVE RELIEF Against All Defendants

3550 3 CARTER realleges and incorporates herein by reference the allegations set forth in paragraphs 1 through 46 above.

- 47. CARTER will suffer irreparable harm and injury by performing any purported obligations under the Recording Agreement, or by TRANS CONTINENTAL continuing to act as CARTER'S record label, unless the parties are enjoined from performing thereunder.
- 48. The Recording Agreement expressly provides that CARTER may seek relief under Florida law and in a Florida forum for disputes arising from the Recording Agreement, and CARTER will suffer irreparable harm if Defendants are not enjoined from filing actions arising from, or related to, the Recording Agreement in forums other than Florida.
- 49. CARTER is entitled to an injunction because he has a likelihood of success on the merits of his claims as to the invalidity and unenforceability of the Recording Agreement, and as to the choice of law and forum.
- 50. The irreparable injury to be sustained by CARTER is more burdensome to CARTER than any potential harm that could be caused to the Defendants through the imposition of the injunction, in that the Defendants are currently not performing any duties for CARTER, or any terms of the Recording Agreement.
- 51. Defendants should be specifically enjoined from pursuing any purported rights under Paragraph 13(g) to assign or license the Recording Agreement to major record labels or any other party; or to enter any other

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agreement on behalf of CARTER without the prior written consent of CARTER or order of this Court; or to demand performance by CARTER of any of the conditions of the Recording Agreement.

WHEREFORE, CARTER requests that this Court grant, where appropriate, preliminary, and/or permanent injunctive relief as follows:

- a) that any and all arbitral, judicial, quasi-judicial, administrative, contractual, or other proceeding which depends, requires, or assumes as a condition precedent that the Recording Agreement is valid be enjoined until such time as the validity of the Recording Agreement is determined by this Court;
- b) that, until such time as the validity of the Recording Agreement is determined by the Court, Defendants be enjoined from executing upon any award, judgment, or similar instrument which results from an arbitral, judicial, quasi-judicial, administrative, contractual, or other proceeding which depends, requires, or assumes as a condition precedent that the recording agreement is valid;
- c) that the forum selection provisions in the Recording Agreement are presumptively valid and should be enforced, and that Defendants be enjoined from prosecuting any other action regarding the Recording Agreement in any forum other than the State of Florida;

- d) that Defendants should be specifically enjoined from pursuing any purported rights under Paragraph 13(g) to assign or license the Recording Agreement to major record labels or any other party, or to enter any other agreement on behalf of CARTER without the prior written consent of CARTER, or without order of this Court.
- e) such other relief as the Court deems just and proper.

### Count II

# DECLARATORY RELIEF: THE RECORDING AGREEMENT Against All Defendants

CARTER realleges and incorporates herein by reference the allegations set forth in paragraphs 1 through 46 above.

- 52. This is an action brought pursuant to Chapter 86, Fla. Stat., for declaratory relief.
- 53. There exists between or among the parties to this action a dispute as to the validity of the Recording Agreement and as to the proper law and forum,
- 54. CARTER contends that the Recording Agreement is void and unenforceable as to CARTER because of the invalidity and unenforceability of the Recording Agreement, in that the Recording Agreement was entered into when CARTER was a minor without legal capacity to enter contracts; and because Defendants never satisfied the express contractual condition requiring Florida court

approval under § 743, Fla. Stat., regarding the removal of nonage disability which would have provided statutory protections to CARTER; and because the choice of law and forum provision are express and clear.

WHEREFORE, CARTER requests that this Court declare the parties' respective rights as follows:

- a) that any provision in the Recording Agreement that purports to obligate CARTER be declared invalid and void ab initio;
- b) that the Defendants receive no monies, collect no revenues, nor enter any agreements on behalf of CARTER pursuant to the Recording Agreement;
- c) that the Defendants immediately produce to CARTER any and all contracts, agreements, documents, property, or any other items obtained through or arising from the Recording Agreement with CARTER,
- d) that any and all disputes regarding the Recording Agreement be governed by the laws of and in the courts of the State of Florida
- e) any and all other and further relief that the Court deems just and proper.

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### Count III

# FRAUD IN THE INDUCEMENT Against All Defendants

CARTER realleges and incorporates herein by reference the allegations set forth in paragraphs 1 through 46 above.

- 55. PEARLMAN, TRANS CONTINENTAL and LJPE fraudulently induced CARTER to enter into the Recording Agreement of December 7, 2004.
- 56. PEARLMAN, TRANS CONTINENTAL, and LJPE represented to CARTER in the Recording Agreement at Paragraph 6 that CARTER would be provided periodic accountings, that the validity of the Recording Agreement would be conditioned upon, and adhere to, Florida law and Florida court approval; that CARTER was owed no royalties or that monies were "tied up"; that the Recording Agreement was fair and within industry standards.
- 57. PEARLMAN made these representations to CARTER, knowing they were false, and knowing that CARTER would rely on them as an inducement to sign the Recording Agreement.
  - 58. PEARLMAN knew at the time that these representations were false.
- 59. CARTER reasonably relied upon PEARLMAN'S misrepresentations, and was damaged in that CARTER was induced to enter the Recording Agreement with PEARLMAN, TRANS CONTINENTAL, and LJPE.

WHEREFORE, CARTER demands judgment against PEARLMAN, TRANS CONTINENTAL, and LJPE for damages resulting from the Defendants' fraudulent actions, which damages include, *inter alia*, unpaid royalties, compensatory damages, including lost profits, fees, revenues, and consequential damages, together with an award of pre-and post-judgment interest, attorneys' fees and costs, and for such other and further relief that this Court deems appropriate.

CARTER demands a jury trial on all issues so triable.

### Count IV

# ACCOUNTING Against All Defendants

CARTER realleges and incorporates herein by reference the allegations set forth in paragraphs 1 through 46 above.

- 60. Defendants were obligated by Paragraph 6 and 8 of the Recording Agreement to provide periodic and timely accountings to CARTER. Pursuant to Paragraph 11(c), Defendants duty to pay royalties was continuing, even if, or after, the Recording Agreement was terminated.
  - 61. Defendants have failed to do so.
- 62. CARTER'S counsel, Holland & Knight, LLP, sent letters to PEARLMAN on January 25 and March 6, 2006 asking for all documents relating to CARTER, without any response from Defendants.

- 63. CARTER believes there may be other transactions about which CARTER has not been informed by Defendants, under which additional royalties are due to CARTER.
- 64. CARTER has not received timely and accurate accountings of royalties which CARTER was to be paid under the Recording Agreement.
- 65. Because of the number and complexity of the transactions in dispute, the time period over which those transactions occurred, and the lack of adequate written records of many of those transactions, CARTER'S remedy at law is inadequate and will not be as expeditious as his remedy in equity.
- 66. By virtue of their acts and omissions, Defendants caused damages to CARTER.

WHEREFORE, CARTER demands judgment against Defendants for an accounting of all revenue, including royalties, due to CARTER under the Recording Agreement, compensatory damages, including lost profits, fees, revenues, and consequential damages, together with an award of pre-and post-judgment interest, attorneys' fees and costs, and for such other and further relief that this Court deems appropriate. CARTER demands a jury trial on all issues so that the court deems appropriate is a such other and further relief that this Court deems appropriate.

### Count V

# BREACH OF CONTRACT Against All Defendants

CARTER realleges and incorporates herein by reference the allegations set forth in paragraphs 1 through 46 above.

- 67. Defendants and CARTER were parties to the Recording Agreement.
- 68. The provisions of the Recording Agreement have been breached by ... Defendants, to wit:
  - a. Paragraph 6 required periodic statements and payments of royalties which have not been provided by Defendants;
  - b. Paragraph 8 as to mechanical royalties, including the failure to issue statements pursuant to Paragraph 8(e).

WHEREFORE, CARTER demands judgment against Defendants for damages for breach of contract, compensatory damages, including lost profits, fees, revenues, and consequential damages, together with an award of pre-and post-judgment interest, attorneys' fees and costs, and for such other and further relief that this Court deems appropriate. CARTER demands a jury trial on all issues so triable.

#### Count VI

# BREACH OF FIDUCIARY DUTY Against Pearlman

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CARTER realleges and incorporates herein by reference the allegations set forth in paragraphs 1 through 46 above.

- 69. PEARLMAN and CARTER have been, and/or are, participants in a confidential business enterprise, and reposed trust in each other.
- 70. PEARLMAN acted as CARTER'S personal manager at the time of the signing of the Recording Agreement, and had acted as CARTER'S manager for years before, and PEARLMAN owed CARTER the highest level of fiduciary duty.
- 71. TRANS CONTINENTAL, as the wholly owned and controlled record company of PEARLMAN, together with PEARLMAN, formed a confidential business relationship with CARTER, and they owed CARTER the highest level of fiduciary duty arising from the parties' close and confidential business relationship with each other.
- 72. PEARLMAN, along with TRANS CONTINENTAL, induced CARTER to grant PEARLMAN authority to act as his manager and record label, and to share, control, manage and/or approve the business affairs of CARTER, including inducing CARTER to enter into the Recording Agreement.
- 73. PEARLMAN voluntarily undertook and owed CARTER a fiduciary duty to act in good faith for, on behalf of, and, in the best interests of CARTER, as his manager, and as the controlling decision maker in the business enterprise.
- 74. PEARLMAN voluntarily undertook and owed CARTER a fiduciary dity to act in good faith for, on behalf of, and in the best interests of CARTER because of the confidential, trusting, and business relationship between them:

- 75. CARTER reasonably and justifiably relied upon PEARLMAN'S fiduciary position, representations and promises by agreeing to PEARLMAN'S decisions and directions and by investing significant effort.
- 76. PEARLMAN violated his fiduciary duties to CARTER by engaging in multiple acts and/or omissions including, but not limited to, the following:
  - a. concealing from CARTER the accurate and timely statements of all revenue owed to CARTER;
  - b. failing to provide accountings to CARTER under the Recording Agreement;
  - c. advising CARTER to enter the Recording Agreement, which was unconscionable and outside industry standards; and
  - d. placing pressure on CARTER to enter the Recording Agreement and exerting undue influence on CARTER.
- 77. PEARLMAN also breached his fiduciary duties to CARTER by concealing from and failing to disclose to CARTER the acts and omissions described in Paragraphs (a) through (d) and other fraudulent actions, conflicts of interest and self-dealing.
- 78. CARTER has suffered damages as a result of PEARLMAN'S breach of his fiduciary duty to CARTER.

WHEREFORE, CARTER demands judgment against PEARLMAN for damages for breach of fiduciary duty, compensatory damages, including lost profits, fees, revenues, and consequential damages, together with an award of preand post-judgment interest, attorneys' fees and costs, and for such other and further

relief that this Court deems appropriate. CARTER demands a jury trial on all issues so triable.

DATED this 2006 day of May, 2006.

CLAY MATOWNSEND, ESQUIRE

Florida Ban No.: 363375

KEITH R MITNIK, ESQUIRE

Florida Bar No.: 436127

MORGAN & MORGAN, PA.

20 North Orange Avenue, 16th Floor

P.O. Box 4979

Orlando, Florida 32802-4979

PH: (407) 420-1414 Fax: (407) 425-8171

Attorneys for Plaintiff

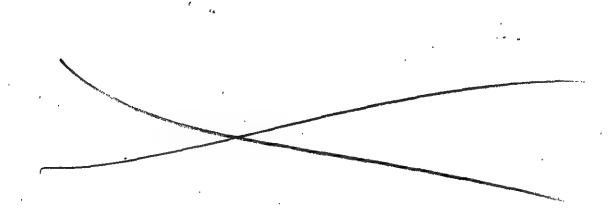
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# **EXHIBIT LIST**

Exhibit A: Exclusive Recording Artist Agreement

Exhibit B: Holland and Knight Letter #1

Exhibit C: Holland and Knight Letter #2



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## EXCLUSIVE RECORDING ARTIST AGREEMENT

AGREEMENT made as of the day of December, 2004, by and between TRANS CONTINENTAL RECORDS, INC., a Florida corporation with its main place of business located at 127 West Church Street, Suite #350, Orlando, Florida 32801 ("hereinafter referred to as Company") and AARON CARTER, an individual minor with a mailing address c/o Robert Carter 9300 Overseas Highway, Marathon, Florida 33050, (hereinafter referred to as "Artist").

In consideration of the mutual promises and covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

#### 1. Term.

- (a) The term of this agreement (hereinafter, the "Term") shall begin on the date set forth above and continue for an initial period ending on the date twelve (12) months following the initial commercial release of the First Album Delivered in complete satisfaction of the Delivery Obligation for such initial period (the "Initial Period").
- (b) Artist grants to Company six (6) consecutive separate options (each an "Option Period") to extend the Term for additional periods on the same terms and conditions applicable to the Initial Period. The Initial Period and each Option Period are each sometimes referred to herein as a "Contract Period". Company may exercise its option for a particular Option Period by written notice to Artist prior to the expiration of the Contract Period, which is then in effect (the "Current Period"). If Company exercises its option to extend the Term, the Option Period concerned shall begin immediately after the end of the Current Period and shall continue until the date twelve (12) months following the initial commercial release of the Album Delivered in complete satisfaction of the Delivery Obligation for that Option Period.
- (c) Notwithstanding anything contained in this agreement, neither the Term nor any Contract Period will end unless and until Artist delivers to Company a notice expressly referring to this paragraph 1(c) and indicating that Company has theretofore failed during the Current Period to exercise its option to extend the Term for the next Contract Period. If Company fails to exercise its option on or before the date that is thirty (30) business days after Company's receipt of such notice from Artist, then the Term will end on such thirtieth (30th) day, as if that date were the original expiration date of the Term, without Company having any liability or additional obligations to Artist in connection therewith.

#### 2. Delivery Obligation/Television Special.

(a) (i) During each Contract Period, Artist shall produce and Deliver to Company one (1) LP (sometimes referred to herein as an "LP" or "Album") solely embodying Artist's performances, it being understood and agreed that Artist shall Deliver a minimum of ten (10) Sides and maximum of twenty (20) Sides recorded during the Current Period in connection with each Album scept that during the Initial Period only, Artist shall produce and Deliver to Company at Company's sole option up to and including three (3) "single" recordings in lieu of an Album. The Delivery of such single(s); each consisting of not more than two (2) individual masters, each embodying one (1) musical

EXH A

composition ("Singles"), satisfying what would otherwise be the Delivery obligation otherwise pertaining to an Album during and for the Initial Period. During such Initial Period only and on or about November 18, 2004 Company shall produce a television special (the "Special") featuring Artist and other guests mutually selected by Company and Artist, to appear with Artist on the Special. All other technical, creative and business matters connected with, related to or derived from the Special shall be treated, as between Artist and Company, as any other Master Delivered by Artist to Company hereunder.

- (ii) Each Album shall be Delivered to Company prior to the date (the "Due Date") mutually agreed upon by the parties, but in no event later than one hundred fifty (150) days after the commencement of the Current Period. If Artist is delinquent in the Delivery of any Masters hereunder, the next Delivered Masters shall be deemed to satisfy the most delinquent requirements first. Company's exercise of an option shall not constitute a waiver of any of Company's rights to prior recordings hereunder.
- (b) Subject to your prior written consent, and good faith negotiations between the parties for an advance, during the Term, Company shall have one (1) option (a "Greatest Hits Sides Option"), to require Artist to record and Deliver up to two (2) Sides recorded after Company's exercise of the Greatest Hits Sides Option (the "New Greatest Hits Masters"). Each such New Greatest Hits Master shall embody a Composition not previously recorded by Artist and shall be intended for initial release on the "Greatest Hits" or "Best Of" LP (a "Greatest Hits LP"). Artist shall Deliver such New Greatest Hits Masters on a date mutually agreed upon by the parties, but in no event later than ninety (90) days after Company's exercise of a particular Greatest Hits Sides Option. New Greatest Hits Masters shall not be deemed to fulfill any of Artist's obligations hereunder with respect to Committed LPs.
- (c) Neither Multiple LPs, "theme" Masters (e.g., Christmas Masters), nor Masters consisting of "live", instrumental or joint recordings shall be Delivered hereunder without Company's prior written consent, which may be withheld by Company in good faith. If Artist Delivers and Company accepts Masters constituting a Multiple LP, such Masters shall be deemed to be one LP for the purposes of Artist's Delivery obligations under this agreement. If Artist Delivers and Company accepts Masters consisting of "live", "theme", instrumental or joint recordings, then such Masters shall not be deemed to be in partial or complete fulfillment of any of Artist's obligations hereunder.

#### General Procedures.

(a) Each Master Delivered hereunder shall be subject to the approval of Company as being commercially and technically satisfactory. At Company's request, Artist shall and/or Company, at its election, may) re-record Masters in order to obtain Masters satisfactory to Company in its reasonable commercial judgment.

(b) Company shall determine and prepare, in meaningful consultation with prist, the recording budget for each prospective Album hercunder and shall inform Artist of the amount of said budget prior to commencement of recording. Notwithstanding the foregoing, the cording budget shall be no less than the following amounts with respect to the corresponding Album:

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Album Number	Minimum Recording Budget
1	\$100,000.00
2	\$100,000.00
3	\$100,000.00
4	\$100,000.00
5	\$100,000.00
6.	\$100,000.00

Company and Artist shall mutually designate each Composition to be recorded under this agreement. Company and Artist shall designate, after meaningful consultation with Artist, the producer of each Master (each, a "Producer") and the studio(s) to be used for recording and mastering. Company shall be responsible for engaging and paying all Producers. Company shall have the right to have a representative attend each recording session, at Company's sole cost and expense.

- (c) (i) Artist shall at all times cooperate with producers so that producers are able to provide Company with union contract forms, all necessary payroll forms and such other required documents on a timely basis.
- (ii) Company shall own and control from the inception of their creation, each and every original session tape, each multi-track master, a non-equalized copy of the Masters and each and every mother, master, acetate copy or other derivative of the Masters.
- (d) Nothing in this agreement shall obligate Company to permit the continuation of any recording project, even if previously approved hereunder, if Company reasonably anticipates that (i) the Recording Costs will exceed the Approved Budget; or (ii) the Masters being produced will not be satisfactory to Company.

#### 4. Recoupable and Reimbursable Costs.

- (a) All recording costs incurred by Company at any time in connection with the Recording of Committed LP's, Singles (if recorded during the Initial Period separate and apart from the Committed LP) and the Television Special hereunder will be deemed Recording Costs hereunder and shall be recoupable from any and all royalties accruing to Artist, excluding mechanical royalties, imper this agreement.
- (b) Upon Company's receipt of invoices therefore, Company shall pay all Recording Costs incurred in connection with the Masters required to be Delivered as well as the Television Special, subject to this agreement in accordance with an approved written recording budget

[and in the case of the Television Special; the Television Special production budget] (each, the "Approved Budget"), all of which shall be deemed Recording Costs hereunder. Company shall have no obligation to pay any Recording Costs incurred, which, exceed such Approved Budget, if such excess costs are solely Artist's fault ("Excess Costs"). Company shall have the right, in its sole discretion, to pay such Excess Costs, which shall be recoupable from any and all sums due Artist, excluding mechanical royalties.

(c) One hundred percent (100%) of all out of pocket third party costs paid or incurred by Company in connection with (i) Recording Costs hereunder (it being understood that Company shall re-credit to Artist's royalty account hereunder any Recording Costs so recouped from royalties otherwise payable to Artist if and to the extent same are subsequently recouped from royalties otherwise payable to an individual producer of a Master) and (ii) "deficit tour support" and personal appearance costs, shall constitute Advances. Fifty percent (50%) of all out of pocket third party costs paid or incurred by Company in connection with (y) the production of Videos (it being acknowledged and understood that the Television Special is not a Video for purposes hereof) embodying Artist's performances and (z) independent promotion shall constitute Advances. Company shall be entitled to recoup as Advances hereunder any amounts that are recoupable against Company by Distributor under any Distribution Agreement. Company may recoup Advances from any and all record royalties accruing to Artist under this agreement.

#### 5. Advances/Royalties.

- (a) Company agrees to pay Artist fifty percent (50%) of each Net Advance paid to Company under a Distribution Agreement, if any. "Net Advance" shall mean a gross advance paid to Company under a Distribution Agreement during the term of this agreement less (i) all costs incurred by Company in promoting Artist for purposes of securing a Distribution Agreement as well as all costs incurred by Company in securing a Distribution Agreement, including the costs of showcasing Artist and reasonable outside legal fees in connection with the negotiation of a potential Distribution Agreement, (ii) all Recording Costs paid by Company or the Distributor to the extent such costs have not been previously deducted by Company from a prior Advance paid by a Distributor or recouped from royalties otherwise payable to Artist hereunder, and (iii) all other charges and costs deducted from Advances payable by the Distributor to the extent such charges and costs have not been previously deducted by Company from a prior Advance paid by a Distributor or recouped from royalties otherwise payable to Artist hereunder. "Distribution Agreement" shall mean each agreement entered into by Company to effectuate the distribution of one (1) or more Records through normal retail channels;
- (b) With respect to Net Sales for which Company receives royalties or is credited with royalties against an advance under a Distribution Agreement, Company agrees to credit to Artist's account hereunder a royalty in the amount of fifty percent (50%) of the Net Receipts paid or credited to Company under a Distribution Agreement, or otherwise. "Net Receipts" shall mean all gross monies actually received by or credited to Company in connection with the exploitation of crist's services hereunder under a Distribution Agreement or otherwise. "Net Sales" shall mean Records sold by Company or by a Distributor (or its distributor(s)) to independent third parties, for which Company has been paid or credited, less records returned and reserves against returns.
- (c) Company will accrue to Artist's royalty account the royalties set forth in this paragraph 5. Such royalties shall include all royalties due Artist (but excluding mechanical royalties, except as otherwise set forth herein or royalties due to third parties such as record producers,

who shall be paid separately and directly by Company, which payments shall not reduce or otherwise effect Artist' royalties hereunder).

#### 6. Accounting.

- any other recoupable costs charges, within ninety (90) days following the last day of February and August, in accordance with Company's regular accounting practices. Company shall have the right to establish reasonable reserves for returns and exchanges not to exceed thirty percent (30%). After the first full semi-annual accounting period following the release of a Album, the royalty reserve established for the particular Album shall not be in excess of thirty percent (30%) (fifty percent [50%] with respect to Singles) of the aggregate number of units of that Album [or Single] shipped. Each royalty reserve will be liquidated no later than the end of the fourth (4th) full semi-annual accounting period following the period during which such reserve is initially established. If Company makes any overpayment of royalties (e.g., by reason of an accounting error or by paying royalties on Recerds returned later), Company shall have the Offset Right with respect to such overpayment.
- (b) Royalties shall be computed in the same national currency as Company is accounted to, at the rate of exchange in effect at the time of payment to Company for such Records, and shall not accrue until payment has been received by Company in the United States or credited to Company against an earlier advance made to Company. If Company is paid for exploitations outside the United States but cannot receive such payment in the United States, then Company's only royalty obligation to Artist in respect of any such exploitations shall be to deposit, but only at Artist' written request and expense, subject to prior notice by Company to Artist, the royalties payable to Artist for such exploitations in the currency in which Company receives payment, and such deposit shall be made to Artist' account in a depository selected by Artist and located in the country in which payment to Company is made for such exploitations.
- (c) Each royalty payment shall be accompanied by a statement in accordance with Company's regular accounting practices. Each statement shall become binding on Artist and Artist shall not make any claim against Company with respect to such statement, unless Artist advises Company, in writing, of the specific basis of such claim within two and one-half (2<sup>1</sup>/<sub>2</sub>) years after the date the statement is received by Artist.
- (d) Artist shall not have the right to sue Company in connection with any royalty accounting or to sue for royalties accrued by Company during the period a royalty accounting covers, unless Artist commence the suit within three (3) years after the date when the statement in question was received by Artist. If Artist commences suit with respect to any royalty accounting due Artist, the scope of the proceeding shall be limited to determination of the amount of royalties due for the accounting periods concerned, and the court will have no authority to consider any other issues or award any relief except recovery of any royalties found owing. Artist' recovery of any such royalties will be the sole remedy available to Artist by reason of any claim related to Company's royalty accountings. Without limiting the generality of the preceding sentence, Artist shall not have any right to seek termination of this agreement or avoid the performance of their obligations by reason of any such claim.

- (e) Royalties accruing hereunder shall be less any taxes the laws of any applicable jurisdiction require to be withheld in connection with such royalties.
- property of the public domain in any territory of the world so that Persons may reproduce and/or exploit in such territory Records of such performances without license from and payment to Company, then, notwithstanding anything herein to the contrary, no monies whatsoever shall accrue hereunder in connection with Records Sold in such territory on and after said date insofar as such performances are concerned.
- Artist may only once during any calendar year, and only once with respect to any statement due hereunder, audit Company's books and records to determine the accuracy of Company's statements. Artist shall notify Company at least thirty (30) days prior to the date Artist' plans to commence the audit. Company shall have the right to postpone the commencement of Artist' audit by notice to Artist no later than five (5) days prior to the commencement date specified in Artist' notice; if Company does so, the running of the time within which the audit may be made will besuspended during the postponement. If an audit is not completed within thirty (30) days from the time it began, Company shall have the right to require Artist to terminate it on five (5) days' notice to Artist at any time; Company will not be required to permit Artist to continue the examination after the end of that five (5) day period. Artist shall not be entitled to examine any manufacturing records or any other records which do not specifically report sales of Records or calculation of net receipts on which royalties are accruable bereunder. All audits shall be made during regular business hours, and shall be conducted by an independent Certified Public Accountant, but not if he or his firm has begun an examination of Company's books and records for any Person (except Artist), unless the examination has been concluded and any applicable audit issues have been resolved. Each examination shall be made at Artist' own expense at Company's regular place of business in the United States where the books and records are maintained.
- Videos. Company shall pay, as an Advance, the production costs of the Television Special (the "Television Special Costs") as well as each Video (the "Video Costs") Company shall produce the Television Special pursuant to a written budget (the "Television Special Budget") and may elect to produce, pursuant to a written budget (the "Video Budget") each approved by Company prior to each production. Costs paid by Company in excess of such Television Special Budget and/or such Video Budget, to the extent such excess costs are caused solely by Artist, as determined by Company in its sole discretion, shall result in Company having an Offset Right (including, but not limited to, the right to recoup such costs from any and all sums payable to Artist under this or any other agreement) with respect thereto. Company and Artist shall mutually approve the Compositions to be embodied in the Television Special and each Composition to be embodied in each Video (any Composition embodied on a Single is hereby deemed approved by Artist insofar as Videos are concerned), the director, concept and storyboard of each Video, however, in the event of a dispute Company's decision shall be final. All decisions of Company in regard to the Television Special other than the selection of support acts (if any) and the songs to be performed, shall be in the the discretion of Company. Company shall recoup fifty percent (50%) of all Video Costs from andio-only Record royalties accruing hereunder, and one hundred percent (100%) of such costs from dee royalties accruing hereunder, except that the Video Costs for any Video in excess of Fifty housand Dollars (\$100,000) shall be one hundred percent (100%) recoupable from audio-only Record toyaltics. Artist warrant that Artist shall (a) be available to perform for Videos on such dates and at such locations selected by Company and (b) fully cooperate with all production personnel in the

production of any Video. Company shall recoup one hundred percent (100%) of the Television Special Costs prior to dividing all net sums derived therefrom, evenly (50/50) with Artist on the same basis as any other royalties, as if received from the sale and exploitation of sound recordings derived from Masters hereunder except that Television Special Costs shall not be cross-collateralized with or recouped against any other sums advanced by Company in connection with any matter of thing other than the Television Special. Accountings and payments of any sums owing to Artist by Company in connection with, arising out of or resulting from the Television Special, shall be furnished to Artist concurrent with all other royalty statements to be otherwise furnished to Artist under paragraph 6 hereinabove and except as otherwise specifically provided for herein, Artist's and Company's rights and obligations concerning the Television Specials, shall be identical to such rights and obligations as pertain to Videos hereunder.

- 8. Mechanical Royalties. Artist hereby grant to Company an irrevocable license under copyright to reproduce each Controlled Composition on Records and distribute such Records in the United States and Canada, subject to the following terms:
- (a) (i) Mechanical royalties for Controlled Compositions in the United States and Canada will be payable at one hundred percent (100%) of the Statutory Rate at the time of recording of such Controlled Composition, with respect to Top-line Records sold through normal retail distribution channels ("NRC Sales") as defined in paragraph 13. It is understood and agreed that solely for the purposes of this paragraph 8(a)(i), Multiple LP Albums and Audiophile Records shall not be excluded from NRC Sales if all other requirements of paragraph 13(l) are met. All Compositions shall be published fifty percent (50%) by Artist's designated publishing firm and fifty percent (50%) by Company's designated publishing firm; net of any third party interests mutually agreed upon by Artist and Company, each of which shall reduce their interests on a pro-rata basis.
- (ii) (A) Mechanical royalties for Controlled Compositions in the United States and Canada will be payable at seventy five percent (75%) of the Statutory Rate with respect to Records Sold through record clubs.
- (B) Mechanical royalties for Controlled Compositions in the United States will be payable at seventy five percent (75%) of the Statutory Rate with respect to Mid-Price Records.
- (iii) For all exploitations of Records other than those described in paragraphs 8(a)(i) or (ii) above and 8(c) and (d) below, mechanical royalties will be payable at one hundred percent (100%) of the Statutory Rate.
- (b) Artist warrant and represents that all Compositions will be available for licensing hereunder and that the maximum amount that Company shall pay with respect to any Record will be one hundred percent (100%) of the Statutory Rate multiplied by the following applicable anounts: (A) LPs, ten (11); (B) EPs, five (5); (C) Long-Play Singles, three (3) and (D) other Singles and other Records not specified herein, two (2). Without limiting Company's rights, it is agreed that Company may exercise its Offset Right with respect to mechanical royalties in excess of the above shounts.

- (c) Controlled Compositions are hereby licensed to Company at no cost for use in and in connection with all exploitations of promotional, non-commercial Videos.
- (d) No copyright payments shall be payable for any more than one use of any Composition on a particular Record or for Controlled Compositions which are (A) non-musical; (B) arrangements of selections in the public domain; and/or (C) embodied in Records which are not Records Sold.
- (e) Company shall issue statements with respect to all mechanical copyright royalties payable hereunder on a quarterly basis within forty-five (45) days after the end of the applicable three-month period. Company shall withhold a portion of such royalties, not to exceed twenty five percent (25%) as a reasonable reserve for returns and exchanges. The provisions of subparagraphs (c) through (g) of paragraph 6 shall be applicable to accountings rendered pursuant to this subparagraph 8(e).
- Artist will authorize the use of any Controlled Composition in a radio or television commercial, a motion picture or television production or any other advertising or promotion unless the licensor first requires the licensee to agree, in writing, for Company's benefit, that the Composition will not be used in a "sound-alike" Master. A "sound alike" Master is a Master embodying the performance of a Composition embodied on a Master Delivered hereunder that imitates or simulates the performances embodied on the Master concerned hereunder by using a substantially similar music arrangement, vocal performance or otherwise. If Artist or any Person deriving rights from Artist shall determine to grant any rights in any Controlled Composition to any music publisher or any other Person or to authorize the use of any music or lyrics written by Artist in a Composition together with material written by anyone else, or if Artist shall determine to collaborate with any other Person in the authorship of any Composition, Artist will first require the other parties to the transaction or collaboration concerned to enter into a written agreement, for Company's benefit, requiring compliance with this paragraph.

#### 9. Rights.

- (a) All Masters furnished to Company hereunder or created during the Term, including without limitation the First Album hereunder, are hereby deemed "works made for hire" and Company shall own all right, title and interest in and to the Masters and all copies thereof and the performances contained thereon throughout the Territory in perpetuity from the inception of their creation, including the worldwide copyrights thereto and all renewals thereof. If, for any reason, any Master is not deemed a work made for hire, Artist hereby assign to Company in perpetuity all rights in and to each such Master, including, without limitation, all copyrights and renewal rights thereto. Company shall have the exclusive right to use the Masters hereunder in perpetuity in any manner, including, without limitation, the exclusive right to:
- (i) Manufacture, distribute and exploit all and/or any portions of the dasters, in any or all fields of use, by any method and through any media and by any means now or bereafter known, upon such terms and conditions and under any trademark or label as Company may dect or, in its sole discretion, to refrain therefrom;
- (ii) Use the approved names (including all professional, assumed or fictitious names), approved likenesses, approved photographs and approved biographical material of

Artist rendering services in connection with the Masters (sometimes referred to herein as "Artist' Identification") for the purpose of publicizing, exploiting and marketing Masters hereunder and in general goodwill advertising for Company in the entertainment industry; and

- (iii) Publicly perform or permit the public performance of the Masters by means of radio broadcast, television broadcast or any other method of public performance now or hereafter known.
- (b) Company's payment of any roonies shall not constitute a waiver of any of Company's rights hercunder or of any of Artist' obligations, including but not limited to, the obligation to Deliver Masters. In addition, Company's acceptance and/or use of Masters, materials or other items delivered by Artist shall not constitute a waiver of any of Artist' representations, warranties or agreements in respect thereof.
  - (c) It is understood and agreed that during the Term, in the United States.
- (i) No Side delivered hereunder shall be released on any Record sold embodying Sides recorded hereunder coupled with Sides not recorded hereunder ("Coupled Records(s)"), without Artist' prior written consent, not to be unreasonably withheld, provided, however, that the foregoing restriction shall not apply with respect to (A) up to two (2) Sides delivered hereunder with respect to each Album and (B) so-called "sampler Records", the coupling of Masters hereunder for jukeboxes or "Personics®"-type uses, or use of Masters in Videos or Records used in connection with public transportation carriers or facilities or promotional Records.
- (ii) The provisions of paragraphs 9(c)(i) above shall not apply if Artist have not fulfilled Artist' Delivery obligations with respect to any Masters hereunder within the time periods set forth herein, or any of Artist' other material obligations hereunder.
- (d) It is understood and agreed that, without limitation of the license set forth in paragraph 8 above, that nothing contained in paragraph 9(a) above shall be deemed to grant Company any ownership interest in the Compositions embodied on Masters hereunder.
- (e) During the Term, Company shall submit to Artist or Artist's representative (whom Artist shall designate in writing for this purpose), for Artist's prior written approval, any photographs, likenesses or biographical material of Artist not furnished by Artist to Company, which Company intends to use in the United States. Such approval shall not be unreasonably withheld, and shall be deemed granted unless Company is advised in writing to the contrary within ten (10) business days after submission of such photographs, likeness or biographical material to Artist or Artist' representative, specifying the reasons for such disapproval. Any inadvertent failure of Company to comply with this sub-paragraph shall not be deemed a breach of this agreement, provided, however, that Company shall use reasonable best efforts to cure such failure after lightice from Artist.
- (f) (i) Provided Artist has fulfilled all of Artist' material obligations under this agreement, Company shall commercially release each Album in the United States within five (5) months after the date of Delivery in accordance with the provisions hereof of such Album. If Company this to do so Artist may notify Company that Artist intends to terminate the Term unless Company releases such Album within sixty-(60) days (the "Cure Period") after Company's receipt of Artist' notice. If Company fails to release such Album before the end of the Cure Period, Artist shall have the

right, by giving Company notice thereof (the "Termination Notice"), to terminate the Term. On receipt by Company of the Termination Notice, and provided that Company has not released the applicable LP prior to the end of the Cure Period, the Term will end and all parties will be deemed to have fulfilled all of their obligations under the agreement except those obligations which survive the Term (e.g., warranties, audit rights, re-recording restrictions and obligation to pay royalties and other monies). Artist' only remedy for failure by Company to release an Album in the United States will be termination in accordance with this subparagraph 9(f)(i).

(ii) The running of the five (5) month and sixty (60) day periods referred to in this paragraph 10(f) will be suspended (and the expiration date of each of those periods will be postponed) for the period of any suspension or extension of the Term.

#### 10. Warranties and Representations.

Artist warrants and represents the following:

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- (a) Artist is not under any disability, restriction or prohibition, whether contractual or otherwise, with respect to (i) Artist's right to enter into this agreement, and (ii) Artist's right to grant the rights granted to Company hereunder, to fully perform each and every term and provision hereof, and to record each and every Master hereunder. Artist's shall cause his father and guardian Robert Carter to execute and deliver to Company herewith, the letter of parental consent attached hereto and incorporated herein by reference as Exhibit "A".
- (b) (i) During the Term: (A) Artist shall record Masters exclusively for Company embodying Compositions not previously recorded by Artist and (B) Artist warrants that Artist will not perform or render any recording services for the purpose of making, promoting, or marketing Masters or Records for any Person other than Company.
- (ii) Notwithstanding anything to the contrary contained in subparagraph 10(b)(i) above, Artist shall be permitted to perform as a non-featured "sideman" at recording sessions for other record company(ies), provided that:
- (A) Neither the Records embodying such performances nor the exploitation of said Records shall feature Artist's likenesses;
- (B) Artist shall receive credit only as sidemen on the back cover and/or in the liner notes of such Record(s), provided that Artist's name shall not appear on the cover of any Record if Artist is performing as a sidemen;
- (C) Such credit shall not be larger than the credit accorded to other non-featured sidemen or producers (as applicable), but in no event shall any such credit be larger than that customary in the recording industry;

(D) A courtesy credit shall be included where Artist appear as sidemen to the effect that Artist "appears courtesy of [Company]"; and

(E) Such performances do not interfere with the timely completion of Artist's services rendered hereunder.

- (iii) Without limiting the generality of the provisions of paragraph 10(a)(i) above, Company agrees that Artist may perform in theatrical and/or television motion pictures and in other television productions, provided that such performances are substantially non-musical and that the agreement pursuant to which such performances are rendered expressly prohibits the release by any Person of Videos (other than Videos embodying substantially the entire motion picture or television production, unless such Videos embody promotion, marketing or a different version, or "cut" of the Picture or is related to the Picture, i.e., a prequel, sequel, remake, etc.).
- (c) (i) Artist will not perform for the recording or production of any Master embodying any Restricted Composition for any Person prior to the later of: (A) five (5) years after the date of Delivery to Company of the last Master embodying the Restricted Composition concerned or (B) two (2) years after the expiration of the Term.
- (d) Artist has not entered into and will not enter into, any agreement, which will interfere in any manner with the full and prompt performance of Artist' obligations under this agreement. Artist is not and shall not come under or subject to, any disability, restriction or prohibition with respect to Artist's rights to enter into, and to fulfill all of Artist' obligations under this agreement. Neither Artist nor any other Person deriving any rights from Artist shall at any time do, or authorize any Person to do, anything inconsistent with, or which might diminish, impair or interfere with any of Company's rights hereunder or the full and prompt performance of Artist's obligations hereunder.
- (e) Artist hereby irrevocably and unconditionally waives any and all moral and like rights that Artist have or may have in the Master Recordings and the performances and/or the material embodied therein, and Artist hereby agrees not to make any claim against Company or any of Company's assignees, Licensees or designees based on moral or like rights.
- (f) Artist has the right to grant to Company the right to use Artist's Identification. During the Term, neither Artist nor any other Person deriving rights from Artist, shall use Artist's Identification, or authorize or permit any Person other than Company to use Artist's Identification, in connection with the exploitation of Masters.
- (g) (i) Artist, is the sole owner of any professional name and such mark as is used by Artist. Artist is now and shall be the sole owner of such name at any time hereafter (the "Name"), and no other Person has or will have the right to use the Name in connection with Records during the Term. During the Term, Artist shall not change the name by which Artist is professionally known without Company's prior written consent, such consent not to be unreasonably withheld. If any Person challenges Artist's right to use a professional name or mark, Company may, at it its election and without limiting its rights, require Artist to adopt another professional name approved by Company, such approval not to be unreasonably withheld, without awaiting a determination of the validity of such applienge.
- (ii) During the Term, Artist shall at all times maintain a valid registration for the Name or any other name used by Artist hereunder in the Patent and Trademark Office of the United States, and promptly following the complete execution of this agreement, Artist shall furnish Company with a certified copy of such registration. In the event that such registration is and filed, Company shall have the right to conduct a trademark or other related search with respect to the Name and may register the Name on behalf of Artist with the Patent and Trademark Office or any

other applicable authority, the costs of which shall be treated as recoupable expenses hereunder. If, in Company's discretion, the search indicates that the Name should not be used, Company and Artist will mutually agree upon a substitute name for Artist. Nothing contained herein shall release Artist from its indemnification of Company in respect of Company's use of the Name.

- (h) During the Term, Artist shall, in connection with the release of each Album, (A) reasonably render musical performance before live audiences and/or on television and (B) shall, upon Company's reasonable request, appear at photo sessions, interviews and perform other promotional activities in support of Albums released hereunder. Company shall reimburse Artist for all reasonable and direct expenses incurred by Artist in connection with the items set forth in this paragraph 10(h)(B), provided such expenses are properly documented.
- (i) Subject to this agreement, no Person other than Company has any right to use, and during the Term no Person other than Company will be authorized to use, any Masters of Artist's performances for making, promoting, or marketing Records.
- (j) The Masters made and/or Delivered hereunder shall be produced in accordance with the rules and regulations of the American Federation of Musicians, the American Federation of Television and Radio Artist and all other unions or guilds having jurisdiction. All Persons, including Artist, rendering services in connection with such Masters shall fully comply with the provisions of the Immigration Reform Control Act of 1986 and complete and execute all forms as may be prescribed by the United States Immigration and Naturalization Service or other government agency regarding citizenship, permanent residency or so-called "documented worker" status.
- (k) Neither the Materials supplied by Artist nor any use thereof will violate any law or infringe upon the rights of any Person and Artist have (or shall have at all times herein mentioned) shall have obtained all necessary licenses, approvals, consents and permissions with respect to the same. All Personnel Lists furnished by Artist hereunder are and will be true, accurate and complete.
- (i) Company shall not be required to make any payments of any nature for, or in connection with, the acquisition, exercise or exploitation of rights by Company pursuant to this agreement, except as specifically provided herein.
- (ii) Without limitation of the foregoing provisions of paragraph 10(l)(i) above, it is understood and agreed that Artist shall promptly make all payments as set forth in this agreement and in the event that Company exercises the Offset Right, Artist shall immediately make the reimbursement pursuant to Company's exercise of the Offset Right or allow Company to withhold other monies due Artist hereunder.
- (m) If Artist owns or controls, as of the date hereof, any Masters of Artist' performances recorded prior to the date hereof ("Prior Masters") or if Artist shall, during the Term, acquire ownership of any Prior Masters, Artist hereby warrants and represents that Artist shall not exploit any such Prior Masters, and no exploitation rights in or to such Prior Masters shall be assigned, transferred, conveyed or otherwise granted to any third party, during the Term. Additionally, in the event that Company exploits any Prior Masters, such Prior Masters shall be deemed recorded during the Initial Period. Artist hereby warrants and represents that there are no Prior Masters except as specifically set forth in Exhibit "C", which is attached hereto and incorporated herein by this reference.

(n) As of the date hereof, Artist warrants that Artist is not a resident of the State of California. Artist shall notify Company immediately in the event that any of Artist becomes a resident of the State of California. As of the date hereof, Artist is a minor and this agreement, is acknowledged by both Artist and Company as being conditioned upon and subject to the approval of the state courts of Florida having jurisdiction in the premises.

Company warrants and represents the following:

- (o) Company is not under any disability, restriction or prohibition, whether contractual or otherwise, with respect to (i) Company's right to enter into this agreement, and (ii) Company's right to grant the rights granted to Artist hereunder and to fully perform each and every term and provision hereof.
- The parties hereto hereby indomnify, save and hold harmless the other from any and all loss and damage (including reasonable outside attorneys' fees and costs) arising out of or connected with any claim by any third party or any act by the indemnifying party which is inconsistent with any of the warranties, representations or agreements made by the indemnifying party in this agreement, provided the said claim has been dismissed, settled with the indemnifying party's consent, not to be unreasonably withheld, or reduced to a final judgment, by a court of competent jurisdiction, and agree to reimburse the indemnified party on demand for any payment made or loss suffered with respect to any claim or act to which the foregoing indemnity applies. Notwithstanding anything to the contrary contained herein, the indemnified party shall have the right to settle without the indemnifying party's consent any claim involving sums of Five Thousand Dollars (\$5,000) or less, and this indemnity shall apply in full to any claim so settled; if the indemnifying party does not consent to any settlement proposed by the indemnified party for an amount in excess of Five Thousand Dollars (\$5,000), the indemnified party shall have the right to settle such claim without the indemnifying party's consent, and this indemnity shall apply in full to any claim so settled, unless the indemnifying party obtains a surety bond acceptable to the indemnified party in its sole discretion, with the indemnified party as a beneficiary, to assure the indemnified party of prompt payment of all expenses, losses and damages (including reasonable outside attorneys' fees and costs) which the indemnified party may incur as a result of said claim. If the amount of any such claim or loss has not been determined, Company, as the indemnified party in a particular instance, may withhold sums due Artist hereunder in an amount consistent with such claim or loss pending such determination, unless Artist obtains a surety bond to Company in its sole discretion, with Company as a beneficiary, to assure Company for Artist' full potential liabilities hereunder. If no action is filed within one (1) year following the date on which such claim was first received by Company, Company shall release all sums withheld in connection with such claim, unless Company, in its reasonable business judgment, believes an action will be filed. Notwithstanding the foregoing, if after such release by Company of sums withheld in connection with a particular claim, such claim is reasserted, then Company's rights under this paragraph 10(p) will apply ab initio in full force and effect. The indemnified party shall sotify the indemnifying party promptly in writing of any such claim and the indemnifying party shall have the right to participate in the defense of any such claim with counsel of the indemnifying party's wan choice and at the indemnifying party's own expense; provided that the indemnified party shall have the right at all times, in its sole discretion, to retain or resume control of the conduct thereof.

### 11. Company's Rights and Remedies.

- (a) (i) In the event of any material breach or default by Artist in the performance of any obligations, warranties or representations hereunder, including, without limitation, a Default Event, or in the event Artist is unable to perform her obligations hereunder due to illness of Artist or Artist fails or refuse to perform their obligations hereunder, Company may, by notice to Artist: (A) terminate the Term; (B) suspend Company's obligations hereunder; and/or (C) extend the Term for the duration of Artist's breach or default, or Artist's inability to perform hereunder.
- God or a "force majeure" contingency, including, without limitation, labor disputes, earthquakes, fire or the unavailability of materials. If any of the foregoing contingencies shall affect Company and if Company suspends its obligations for a period in excess of six (6) months, then, provided that such contingency does not affect the entire music industry as a whole, at any time after such six (6) month period, Artist may request Company in writing to terminate such suspension. If Company shall not within thirty-(30) days following its receipt of such request notify Artist in writing of its termination of such suspension, Artist may at any time during the continuance of such suspension terminate the Term. If Artist terminates the Term, only those obligations of the parties, which would have continued after the Term, shall survive such termination. Company shall be obligated to continue to pay royalties to Artist pursuant to this agreement unless the cause of such suspension shall affect Company's ability to make such payments.
- (iii) Without limitation of the foregoing, any incapacity preventing Artist from fully performing hereunder or any material change in Artist's physical appearance or voice from those which existed on the date of execution hereof shall be deemed a breach by Artist of this agreement for purposes of this subparagraph 11(a).
- (b) Artist acknowledges that Artist's services rendered hereunder are unique and extraordinary and that Company may be entitled to equitable relief to enforce the provisions of this agreement.
- (c) Company shall have the right during any Contract Period, by written notice to Artist, to elect without cause not to record any or all of the Master Recordings constituting the Album for such Contract Period, and the Term shall automatically terminate as of the date of any such notice pursuant to this subparagraph 11(c), and Company shall have no further obligation to Artist; other than it's continuing obligation to pay royalties if any, which may become due and owing, and the balance of the reasonably calculated "in-pocket" portion of the applicable Advance in connection with such Album.
- (d) If any Default Event shall occur, then, without limitation of Company's mights at law, in equity, under this agreement or otherwise, that portion of monies which would otherwise have become due and payable to Artist hereunder shall be held in escrow pending resolution of any matters, which gave rise to the invocation of this paragraph 11.
- (e) The rights and remedies of Company as specified herein are not to the exclusion of each other or of any other rights or remedies of Company hereunder, at law, in equity or attherwise; Company may exercise or decline to exercise my of its rights and remedies as Company

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may deem fit without jeopardizing any other rights and remedies of Company; and all of Company's rights and remedies in connection with this agreement shall survive the expiration of the Term.

#### 12. Definitions.

- (a) "Advance" Recording Costs or other recoupable costs hereunder advanced by Company on Artist' behalf.
- (b) "Audiophile Record" A Record which is (a) of superior sound quality or has other distinct technical characteristics (i.e., 24 Gold Plated CDs or 180 gram + virgin vinyl LPs) or which is marketed as either of the foregoing (e.g., a "Mobile Fidelity" Record), (b) embodied in a new configuration (e.g., DCC, digital audio tape, etc.) and/or (c) made for digital playback.
- (c) "Budget Record" A Record bearing a primary dealer price (hereinafter the "PDP") in excess of fifty percent (50%) and equal to or less than sixty-seven percent (67%) of the highest PDP of Top-Line Records of the same type (e.g., whether it is an LP, EP, or Single) and in the same configuration (e.g., whether it is a tape cassette compact disc, or vinyl Record) in the territory concerned.
- (d) "Composition" Words and/or music, whether in the form of instrumental and/or vocal music, spoken word or otherwise, irrespective of length, including, without limitation, medleys.
- (e) "Container Deduction" Twenty-five percent (25%) of the applicable PDP for the Record concerned except: (a) Fifteen percent (15%) of the applicable PDP for vinyl Records and (b) twenty percent (20%) of the applicable PDP for analog cassette tapes, vinyl LP's in double fold jackets and for vinyl LP jackets which contain an insert.
- (f) "Controlled Composition" That portion of any Composition which is written, owned or controlled in whole or in part by Artist.
- (g) "Default Event" Any breach by Artist of this agreement, including, without limitation, the following: (a) Artist' failure or inability to fulfill any of Artist' obligations hereunder for any reason; (b) the occurrence of any of the events set forth in paragraph 11, subject to Artist' right to cure any such Default Event within sixty (60) days from the date of Company's written notice thereof or, in the case of Default Events not susceptible to cure within such time frame, to commence reasonable commercial designed to cure the same within said sixty (60) day period. In either event (cure or commencement of cure, as applicable), the same shall not be deemed to constitute a Default Event on Artist's part.
- (h) "Delivery" or "Delivered" Company's receipt of Masters satisfactory to Company, the applicable Personnel List and all necessary licenses, consents, approvals and other items required under the agreement (including, without limitation, all such items described in paragraph [c]) for the Master(s) concerned.
- "Master", "Recording", "Master Recording" Any recording of sound, thether or not coupled with a visual image, by any method and on any substance or material, whether show or hereafter known.

- (j) "Materials" The Masters hereunder, all Compositions. Artist's Identification, and all other musical, dramatic, artistic and literary materials, ideas and other intellectual properties contained in or used in connection with any Masters hereunder or their packaging, sale, distribution, advertising, publicizing or other exploitation thereof.
- (k) "Mid-Price Record" A Record bearing an PDP in excess of sixty-seven percent (67%) and equal to or less than eighty percent (80%) of the highest PDP of Top-Line Records of the same type and in the same configuration in the territory concerned.
- (I) "NRC Sales" Top-Line Records Sold through normal retail distribution channels and specifically excluding, without limitation, any exploitations described in subparagraphs (f)-(j) of paragraph 6, it being understood and agreed that Records Sold in the compact disc configuration shall not be excluded from NRC Sales if all the other requirements of this paragraph 12(1) are met.
- (m) "Offset Right" Company's right to (i) demand and immediately receive reimbursement from Artist of monies and/or (ii) charge monies against and/or deduct same from any sums accruing or becoming payable under this or any other agreement. In the event that any such deduction is effected against an Advance otherwise payable hereunder, such deduction shall not impair Company's right to charge and recoup, in the manner herein provided, the entirety of the Advance which would otherwise have been payable hereunder.
- (n) "Person" Any individual, corporation, partnership, association, entity or other organized group or combination of any or all of the foregoing, and their legal successors or representatives.
- (o) "Personnel List" A Master-by-Master list that identifies all vocal performers, background vocal performers, instrumental performers, engineers, mixers, programmers, Producers, arrangers and other persons featured on, or rendering services in connection with, each Master.
- (p) "Recording Costs" All costs incurred in connection with the pre-production and/or production of Masters embodying Artist' performances, including, without limitation, union scale, the costs of all instruments, musicians, vocalists, conductors, arrangers, orchestrators, copyists, programmers, etc., payments to a trustee or fund based on wages to the extent required by any labor organization or trustee (excluding so-called "per-record payments"), sampling costs, all studio costs, tape and disc costs, the costs associated with editing, mixing, remixing, mastering, engineering, travel, dubbing, cartage and trademark searches and registrations, the costs of cutting references, per diems, Producer fees and/or Advances, rehearsal hall rentals, the cost of hon-studio facilities and equipment, and all other costs and expenses incurred in producing any Masters hereunder (excluding any travel costs incurred by Company for its employees) which are restomarily recognized as recording costs in the record industry as well as vocal, instrument and dance thaning in connection with Artist' services hereunder.
- (q) "Record" Any form of reproduction, transmission, and/or formunication now or hereafter known, manufactured, distributed, transmitted or communicated marrily for home use, school use, juke box use, or use in means of transportation, including, without limitation, a reproduction of a Video (a "Video Record").

- (r) (i) Single" A Record embodying no more than two (2) Compositions.
- (ii) "Long Play Single" A Record embodying more than two (2) Sides that is not an EP.
  - (iii) EP" A Record embodying more than four (4) Sides that is not an
- (iv) "LP" or "Album" A Record containing no fewer than ten (10) Sides, with at least forty (40) minutes of playing time.

LP.

- (v) "Multiple LP" or "Multiple Album" Two (2) or more LPs packaged together by Company for marketing as a single unit and/or an LP containing sixteen (16) or more Sides.
- (vi) Notwithstanding the foregoing provisions of this paragraph 12(t) above, it is understood and agreed that in the event that Company specifically markets a Record as a certain type of Record (e.g., as a Single, EP, LP, etc.) then such Record shall be deemed such type of Record regardless of whether the Record concerned satisfies the definition set forth above for the Record type concerned.
- (s) (i) "Records Sold", "Record Sales" and "Sales" One hundred percent (100%) percent of those Records shipped by Company hereunder for which Company is paid and which are neither returned to nor exchanged by Company nor (in the case of any record configuration as to which Company does not identify returns of Records according to selection number) treated as returned to Company under Company's then current policy with respect to the percentage of shipped units so treated. The following are specifically not Records Sold:
- (ii) Standard free or bonus Records given away together with Records Sold for monetary consideration. If Records are shipped subject to a discount or merchandise plan, the number of such Records deemed shipped and Sold shall be determined by reducing the number of Records shipped by the percentage of discount granted. It is understood and agreed that Company shall not exclude from Records Sold standard "free" or "bonus" goods in excess of fifteen percent (15%) unless Company becomes distributed by a so-called "major" record label whose policy is in excess thereof, but in no circumstances more than twenty five percent (25%).
- (iii) Free or bonus Records given away pursuant to special sales plans in addition to free and bonus records specifically provided for in paragraph 13(r)(ii) above.
- (iv) If Records which are shipped subject to a discount or merchandising plan, or respecting which a discount was granted in the form of "free" or" bonus". Records, are returned to Company, the returns will be credited between royalty bearing and non-royalty searing Records in the same proportion as Company's customer's account is credited.
- (v) "Restricted Composition" A Composition embodied on a glaster made or delivered to Company under this agreement.

- (vi) "Side" A Master embodying Artist' performance of no less than four (4) minutes of continuous sound (unless a shorter playing time is otherwise approved by Company in writing).
- (vii) "Statutory Rate" The minimum compulsory license rate applicable to a single musical composition, without regard to playing time, in effect pursuant to the United States Copyright Act (or the recognized equivalent in Canada) as of the earlier of the date the applicable Master initially is "released" in the United States or Canada (as applicable).
  - (viii) "Territory" The Universe.
- (t) "Top-Line" Record A Record bearing an PDP which is greater than eighty percent (80%) of the PDP of the then highest priced Record in of the same type and in the same configuration in the territory concerned.
- (u) "Video" Any Master reproducing Artist' performance together with visual images.

#### 13. Miscellaneous.

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- This agreement contains the entire understanding of the parties and. supersedes any prior agreement, whether written or oral, relating to the subject matter hereof and cannot be changed or terminated except by an instrument signed by the party to be charged. Any instrument purporting to bind Company must be signed by an officer or authorized signatory of Company. No addition, deletion, revision, change or other alteration in or to drafts of this agreement prepared prior to the execution of this agreement shall be referred to by any of the parties in any lawsuit in which the construction, interpretation or meaning of this agreement is in dispute or otherwise be used for purposes of constraing or interpreting any of the terms, provisions or language of this agreement in adjudicating or otherwise resolving any such lawsuit. No waiver by any of the parties hereto of any provision of or any default under this agreement shall constitute a waiver by the particular party of compliance thereafter with the same or any other provision of such party's respective right to enforce the same or any other provision thereafter. This agreement has been entered into in the State of Florida, and the validity, interpretation and legal effect of this agreement shall be governed by the laws of the State of Florida applicable to contracts entered into and performed entirely within the State of Florida, except that the law of the jurisdiction in which this agreement is approved pursuant to paragraph 18 below shall control the interpretation of this agreement as to issues of judicial approval of this agreement. Except as set forth in the preceding sentence, all claims, disputes or disagreements, which may arise out of the interpretation, performance or breach of this agreement shall be submitted exclusively to the jurisdiction of the state courts of the State of Florida or the Federal District courts Pocated in Orange County. Artist hereby submits to the jurisdiction of the aforesaid courts and agrees that any process in any such action or proceeding may be served upon Artist by delivery or mail in the same manner as notices pursuant to paragraph 14 below.
- (b) If any part of this agreement, or the application thereof to any party, shall be adjudged by a court of competent jurisdiction to be invalid, such judgment shall not affect the femainder of this agreement, which shall continue in full force and effect, or the application of this agreement to the remaining parties. Headings used herein are for convenience only and shall not be used to interpret or modify this agreement.

- (c) In any instance where Company agrees to obtain Artist' prior consent or approval: (i) Artist' consent or approval shall not be unreasonably withheld; (ii) Artist's response to any request by Company for Artist' consent or approval shall be given within ten (10) business days following such request; (iii) any objection or disapproval shall be in writing, stating the specific reason(s) therefore; (iv) Artist' failure to give such written objection or disapproval within such ten (10) business day period shall be deemed Artist's consent or approval; (v) the exercise of such consent or approval right shall not delay the scheduled release of any Records hereunder or otherwise frustrate Company's exercise of its rights hereunder; and (vi) Company's inadvertent failure in any instance to request Artist's approval or consent shall not be deemed a breach of this agreement.
- (d) Artist recognizes that the sale of Records is speculative and agrees that the judgment of Company, as long as exercised responsibly and in good faith, with regard to any matter affecting the sale, distribution and exploitation of Records hereunder shall be binding and conclusive upon Artist. Nothing contained in this agreement shall obligate Company to make, sell, license, or distribute Records manufactured from the Masters recorded hereunder other than as specifically provided herein. The method, manner, frequency, timing and extent of release, packaging, promotion, advertising, distribution and exploitation of Masters and Records shall be within the sole discretion of Company unless otherwise herein specifically provided.
- (e) Neither Company nor Artist shall be entitled to recover damages or to terminate the Term by reason of any breach by the other party of its material obligations hereunder unless the party whose breach is alleged has failed to remedy such breach within sixty (60) days (15 days in the case of payment of monies hereunder) following receipt of the other party's notice thereof, or if such breach cannot be cured in such sixty (60) day period and if the party whose breach is alleged does not commence curing the breach during such sixty (60) day period and diligently completes the same in due course.
- (f) In entering into this agreement, Artist has and shall have the status of an independent contractor and nothing herein contained shall contemplate or constitute Artist as Company's agent or employee.
- (g) This agreement shall inure to the benefit of and be binding upon each of the parties hereto and their respective successors, permitted assigns and representatives. Company may assign, license or otherwise dispose of this agreement or any of its rights hereunder, in whole or in part, to any distributor, subsidiary, affiliate or controlling corporation or to any Person owning or acquiring a substantial portion of the stock or assets of Company or to a record company (label and/or distributor) which is owned or otherwise controlled by an entity controlled in common with any the following: Time-Warner, Universal Music Group, EMI, BMG or Sony Music. Company may also assign its rights hereunder to any of its licensees to the extent necessary or advisable in Company's sole discretion to implement the license granted. Artist shall not have the right to assign this agreement or any of its rights hereunder without Company's prior written consent, except the right to receive payment of monies hereunder to a single payee (i.e., a loan out).
- (h) This agreement shall not be effective or binding until signed by all proposed parties hereto.
- 14. Notices. All notices to Artist shall be sent to Artist at the address first mentioned herein. All notices to Company shall be sent to Company at the address first set forth

herein. Each party may hereafter designate any other address by notice in writing to the other party. All notices shall be in writing and shall be sent by personal delivery, courier, or by registered or certified mail, return receipt requested. The date of any notice hereunder shall be deemed the date of the mailing thereof. Royalty statements (and payments) may be sent by Company to Artist by regular mail.

- 15. Superseding Terms of Distribution Agreement. If any provisions of this agreement should conflict with the corresponding terms of any applicable distribution agreement, then the relevant terms of this agreement shall be deemed superseded by the terms of the distribution agreement and the Term, recording commitment and/or any and all other material terms hereunder will be deemed modified to reflect the terms set forth in such distribution agreement, if applicable. Any conflicting terms under this agreement shall be deemed superseded by the terms of such distribution agreement, provided that such superseding provision is not unduly restrictive to Artist and is within reasonable norms of the music industry.
- 16. Artist maintains the right to secure competent legal advice and representation in connection with the negotiation and signing of this agreement or to knowingly and voluntarily waive such right. Artist acknowledges that he understands such right and have acted accordingly in connection with the negotiation and signing of this agreement.
- 17. Artist and Louis J. Pearlman Enterprises, Inc., a Florida corporation ("LIPE")(which shall execute this agreement solely for the purpose of confirming its agreement to this paragraph 17) hereby agree as follows:
- (a) Neither LJPE nor any person, firm, corporation or other entity claiming rights or an interest in Artist by or under LJPE, shall receive or be credited with any share or portion of royalties or other consideration payable or accruing to the benefit of Artist hereunder, notwithstanding the fact that such interest may increase the profitability of Records sold by or for Company, it being acknowledged by Artist that absent the waiver herein contained, LJPE and/or Louis J. Pearlman could be subject to the appearance of a conflict of interest as between his respective interests and positions in Company and LJPE; and
- (b) Artist further acknowledges that his father Robert Carter has a beneficial interest in the Personal Management Agreement (along with LJPE) (the "PMA") and that such interest, absent the waiver herein contained, might otherwise give rise to an appearance of a conflict of interest. Based on the advice of independent legal counsel, Artist hereby knowingly waives any right he might otherwise have to assert such conflict as a defense to the enforceability of this agreement or the PMA.
- years of age. Artist's Minority. Artist has advised Company that he is under eighteen (18) years of age. Artist shall cooperate with reasonable requests by Company in connection with any proceedings Company may institute, at its own cost and expense, to obtain judicial approval of this agreement. In that regard, Company hereby consents to the establishment of any trust fund or savings plan for her benefit as the court to which such petition for approval is submitted deems just and proper. It any time after Artist has reached the age of eighteen (18) years (or such other age as may be deemed the age of majority for purposes hereof), Artist shall, upon Company's request, reaffirm in virting the validity and enforceability of this agreement. If Company is unable to obtain judicial approval of this agreement, or if Artist fails to reaffirm this agreement within a reasonable period of the after Company's request therefore, Company shall have the right (but not the obligation, and without limiting Company's other rights and remedies) to terminate the Term hereof, in which event

Company shall have no further obligations to Artist hereunder (other than the obligation to pay monies due to Artist, if any).

IN WITNESS WHEREOF, the parties hereto have executed this agreement effective as of the date and year first set forth above.

## COMPANY

TRANS-CONTINENTAL RECORDS, INC. A Florida Corporation ("Company")

Greg McDonald, Presiden

AGREED TO AND ACCEPTED BY:

Aaron Carter

ss# <u>592-88-4170</u>

Agreed to as to paragraph 17 herein.

Louis J. Pearlman Enterprises, Inc.

Louis J. Pearlman, Charman

0350 2009 / EL

#### EXHIBIT "A"

#### ROBERT CARTER 9300 Overseas Highway Marathon, Florida 33050

Trans Continental Records, Inc. 127 W. Church Street, Suite 350 Orlando, Florida 32801

Gentlemen:

I have been advised that my son, Aaron Carter (hereinafter referred to as "Artist") has entered into an exclusive recording artist agreement dated as of December 1, 2004 with you ("the Agreement").

In consideration of your entering into the Agreement with Artist, and as further inducement to you to do so (it being to my benefit that you enter into the same), I hereby agree as follows:

- . I am Artist's parent and/or legal guardian;
- . Artist is presently a minor;

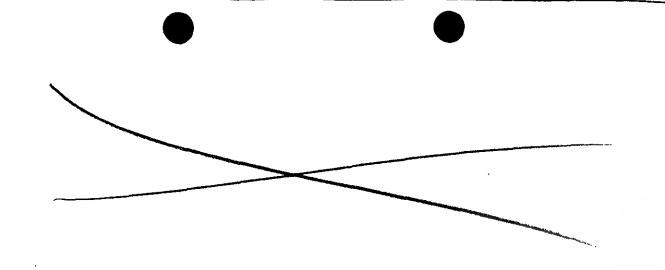
I will cooperate with you and shall sign such documents as you may reasonably request in connection with any proceeding to obtain judicial approval of the Agreement. As and when my consent is from time to time required under the Agreement, I agree that I will act in the Artist's behalf.

Very truly yours,

Robert Carter

Acknowledged as to form:

Horran Donak SALTSMAN, ESQ FL BAR NO.: 0318050



# EXHIBIT B

Holland and Knight Letter #1



Tel 305 374 8500 Fax 305 789 7799 Holland & Knight LLP 701 Brickell Avenue, Suite 3000 Miami, FL 33131-2847 www.hklaw.com

Jorge L. Hamandez-Toraño 305 789 7721 jorge:hemandez-torano@hklaw.com

VIA Federal Express and First Class Mail

March 6, 2006

Louis J. Pearlman
Transcontinental Companies
127 West Church Street
Orlando, Florida 32801

Re: Aaron C, Carter

Dear Mr. Pearlman:

On January 25, 2006, we sent you a letter requesting "all agreements, documents and/or instruments in your possession that purport to legally bind Aaron Carter to you or any other third party known to you." To this date, we have not heard from you or received any response to our request. We thus assume that no such agreements, documents, or instruments exist and that Mr. Carter is not legally bound to you, or any entities known to you, in any manner whatsoever.

In any event, Mr. Carter has asked us to inform you that he hereby disaffirms, cancels, and voids any and all such agreements, documents and/or instruments that may have been signed by Mr. Carter, or that may have been signed by others on his behalf, at the time he was a minor.

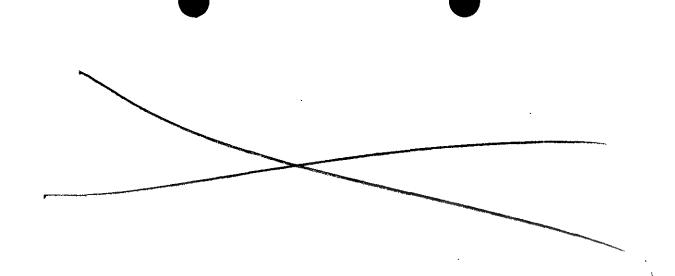
Please let us know if you have any questions or concerns regarding the above matter.

Very truly yours,

HOLLAND & KNIGHT LLP

Jorge Hernandez-Toraño

A CRANGE OF STREET



# EXHIBIT C

Holland and Knight Letter #2

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Tei 305 374 5980

Holispa & Keight LLP 701 Brickel Arenue Suite 1980 Mann, FL 33131-2567 Anny Shinwasan

Jorge L. Hernandez-Toraria 305 787 777] jorge-hernandez-teranolitikka-kasım

January 25, 2006

Louis J. Pearlman Transcontinental Companies 127 West Church Street Orlando, Florida 32801

Re: Aaron C. Carter

Dear Sir/Madam:

We write on behalf of our client, Mr. Asson C. Carter.

For purposes of this letter, the term "Carter Documentation" shall mean all agreements, documents and/or instruments in your possession that purport to legally bind Mr. Carter to you or any other third party known to you.

As you may be aware, Mr. Carter recently analood adulthood. Please take note that Mr. Carter reserves all his rights relating to the Carter Documentation, including, but not limited to, his rights to cancel or void any of the Carter Documentation to which Mr. Carter's signature was affixed at the time he was a minor.

Kindly furnish to us all Carter Documentation in your possession. Please include a certification, signed by your records custodian, that the records you are providing are a complete and accurate copy of all the Carter Documentation in your possession. If you will kindly advise us of the cost of duplicating and certifying these records, we will promptly remait payment.

Your prompt attention to this request will be greatly appreciated.

Mr. Carter has co-signed this letter below to evidence his agreement with its reservation of rights and instructions. All further communication to Mr. Carter from you or on your behalf should be in writing and addressed to the undersigned.

Very ruly yours,

HOMAND & KNIGHT LLP

Grand C. Com

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EXH D

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IN THE CIRCUIT COURT OF THE NINTH JUDICIAL CIRCUIT, IN AND FOR ORANGE COUNTY, FLORIDA

AARON CARTER,

VS.

Plaintiff.

Case No. 2006-CA-4293

JUL 19 2006

Division 32

FOLEY & LARDNER

LOUIS J. PEARLMAN, and TRANS CONTINENTAL RECORDS, INC., and LOUIS J. PEARLMAN ENTERPRISES,

Defendants.

INC.,

ORDER ON DEFENDANTS' MOTION TO STAY PROCEEDINGS AND PLAINTIFF'S MOTION FOR INJUNCTIVE RELIEF

These matters came before the Court on the motion of Defendants LOUIS J. PEARLMAN, TRANSCONTINENTAL RECORDS, INC., and LOUIS J. PEARLMAN ENTERPRISES, INC., (collectively referred to as "Defendants") to stay these proceedings on the grounds that there is a related prior action pending in the State of California, and on the emergency motion of Plaintiff AARON CARTER for a temporary or preliminary injunction to enjoin Defendants from fursuing the California lawsuit. The Court, having considered these motions, including the arguments of counsel, is of the opinion that both motions should be denied. It is, therefore

## ORDERED AND ADJUDGED as follows:

- 1. Defendants' Motion to Stay Florida Proceedings is denied.
- 2. Plaintiff's Emergency Motion for Injunctive Relief is denied, without prejudice.

DONE AND ORDERED at Orange County, Florida this // day of July 2006.

Renee Roche Circuit Judge

## **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via U.S. Mail on this \_\_/\_\_\_ day of July 2006 to: Michael Gay and Darren S. Chiappetta, Foley & Lardner LLP, 111 North Orange Avenue, Suite 1800, Orlando, Florida 32801, and Clay M. Townsend and Keith R. Mitnik, Morgan & Morgan, P.A., 20 North Orange Avenue, 16th Floor, P.O. Box 4979, Qrlando, Florida 32802.

92100 2

Judicial Assistant

# SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

DATE: 09/29/04

DEPT. 2

HONORABLE AVIVA K. BOBB

JUDGE A. FISHER DEPUTY CLERK

B. THOMAS, ASST. DEP. CLERK

ELECTRONIC RECORDING MONITOR

HONORABLE

JUDGE PRO TEM

G. YANG

Deputy Sheriff

NONE

Reporter

BS090645

Plaintiff

LOUIS J PEARLMAN ENTERPRISES IN

Counsel

ET AL

Defendant

VS

Counsel

AARON CARTER

#### **NATURE OF PROCEEDINGS:**

PETITION TO APPROVE MANAGEMENT CONTRACT OF MINOR. The Court denies the petition for lack of jurisdiction, as the contract is not of a type described in Section 6750 of the Family Code. The Court orders counsel for Petitioner to give notice of this order to all parties.

SAPO SAM

**EXHIBIT R** 

Page 1 of DEPT. 2 MINUTES ENTERED 09/29/04 COUNTY CLERK

7.

Michael Rosenfeld (State Bar No. 170358) 500 South Buena Vista Street Burbank, California 91521-0153 Telephone: (818) 560-8222

Attorney for Petitioner, Walt Disney Records, a division of ABC, a New York corporation

Inc. LOS ANGELES SUPERIOR COURT

OCT 2 9 2003

JOHN A. OLARKE, CLERK

STRONG DEPUTY SUPERIOR COURT OF THE STATE OF CALTFORNIA

FOR THE COUNTY OF LOS ANGELES

In the Matter of the Contract between

CASE NO. BS086058

Walt Disney Records, a division of ABC, Inc., a New York corporation,

ORDER APPROVING CONTRACT OF MINOR (CAL. FAM. CODE Section 6751)

Petitioner,

and

Aaron Charles Carter, a minor, by and through Jane Carter as guardian ad litem,

Respondent.

The petition of Petitioner Walt Disney Records, a division of ABC, Inc. for approval pursuant to California Family Code Section 6751 of the written contract of employment dated as of April 4, 2002 (the "Contract") between Petitioner and Respondent Aaron Charles Carter (the "Minor"), a minor, appearing by and through Jane Carter as

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guardian ad litem, having been filed in Department 2 of the above-named Court,

The Court hereby finds as follows:

- A. The petition was properly filed in Los
  Angeles County pursuant to California Family Code Section
  6751(a);
- B. The petition was properly verified pursuant to California Code of Civil Procedure Sections 446 and 2015.5;
- C. A copy of a document evidencing the Minor's date of birth was attached to the petition as Exhibit A;
- D. A copy of the Contract was attached to the petition as Exhibit B;
- E. The parties have waived notice and an opportunity to appear and be heard in connection with the instant proceeding;
- F. For the purposes of California Family Code Section 6750, the Contract was entered into on or after January 1, 2000;
- G. All of the allegations contained in the Petition are true;
- H. Jane Carter is the mother of the Minor and is entitled to the physical custody, care, and control of the Minor, and the appointment of a different individual as guardian ad litem for the instant proceeding is not required in the best interests of the Minor;

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- I. The terms of the Contract are fair, just, equitable and in the best interests of the Minor;
- J. The Contract was entered into freely and voluntarily by the parties thereto; and
- K. Approval of the Contract is in the best interests of the Minor.

GOOD CAUSE APPEARING THEREFOR, IT IS ORDERED that:

- Jane Carter is hereby appointed as the Minor's guardian ad litem for all purposes of the instant proceeding.
- 2. The Contract is hereby approved as to all of the terms and conditions thereof, subject to the following conditions:
- a. Any assignment of the Contract (other than any such assignment to an entity related to or affiliated with Petitioner or any entity which succeeds to substantially all the assets of Petitioner) shall be subject to the approval and order of the Court; and
- b. Any injunctive relief sought under the Contract shall be subject to California Code of Civil Procedure Section 526.
- 3. Petitioner is hereby ordered to deduct, until the Minor attains the age of eighteen (18) years, fifteen percent (15%) of the gross earnings payable by Petitioner to the Minor pursuant to the Contract, and to deposit said deducted portion into one or more blocked accounts

established and maintained for the benefit of the Minor in accordance with California Family Code Section 6753 and the provisions herein.

- a. Said blocked account(s) shall name the Minor's parent or parents as trustee(s) for the benefit of the Minor.
- b. Said blocked account(s) shall be established at one or more financial institutions in the State of California. The trustee(s) may request that the blocked funds be deposited in a financial institution outside California by filing with this Court a motion that includes as an exhibit an exemplified copy of an order, judgment, or decree which was entered based on this Order by the proper court of the state where the blocked funds will be situated.
- c. At all times, said blocked account(s) shall be fully insured by an insurer listed in California Family Code Section 6753(d), or shall be established with a company that is and remains registered under the Investment Company Act of 1940.
- d. Except as provided herein, there shall be no withdrawals of funds on deposit in said blocked account(s) until the Minor attains the age of eighteen (18) years on December 7, 2005, as evidenced by a copy of the Minor's Certification of Birth issued by the State of

Florida, attached to the Petition as Exhibit A, or until further order of this Court.

- e. Upon application by the trustee(s), the financial institution where such blocked funds are held shall use such funds to purchase, in the name of and for the benefit of the Minor, the investments set forth in California Family Code Section 6753(e)(3) in accordance with the conditions prescribed therein.
- f. Upon application by the trustee(s), the financial institution where such blocked funds are held shall transfer such funds to another account at the same institution provided that the funds so transferred shall remain subject to the provisions of this Order.
- g. Upon application by the trustee(s), the financial institution where such blocked funds are held shall transfer such funds to another financial institution in the State of California provided that (i) the funds so transferred shall remain subject to the provisions of this Order, and (ii) the transferring financial institution forwards a copy of this Order to the financial institution to which such funds will be transferred.
- 4. Petitioner shall file with the Court a declaration under penalty of perjury evidencing the following:
- a. The initial deposit made into the blocked account(s) was accompanied by (i) a copy of this

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Order and (ii) a cover letter identifying the Minor, the account number(s) and the trustee(s), and stating that the funds being deposited are blocked from withdrawal pursuant to court order; and

b. A copy of this Order was forwarded to the parent(s) or legal guardian(s) entitled to the physical custody, care, and control of the Minor along with a cover letter which included the following language: "PLEASE BE ADVISED: California Family Code Section 6752(d) provides that a custodial parent or guardian holds for the benefit of a minor all of the minor's earnings under an entertainmentor sports-related contract. The parent or guardian must use such earnings to pay all liabilities incurred by the minor under the contract, including, but not limited to, payments for taxes on all earnings, including taxes on the amounts set aside, and payments for personal or professional services rendered to the minor or the business related to the contract. (Since the law requires that 15% of the minor's gross earnings be set aside in a blocked account, these obligations must be paid out of the remaining 85% payable under the contract.) Section 6752(d) also provides that nothing therein alters the parent or guardian's existing responsibilities to provide for the support of the minor child. Section 6752(b)(6) provides that the trustee(s) shall do an annual accounting of the funds held

in trust in accordance with California Probate Code Sections ...
16062'and 16063."

5. Once the paying entity deposits the deducted portion into the blocked account(s), Petitioner shall have no further obligation or duty to monitor or account for such funds. The trustee(s) of the blocked account(s) shall be the only individual(s) with the obligation and/or duty to monitor and account for such funds once they have been deposited by the paying entity.

© | **OCT** 2 9 2003

DATED:

Judge of the Superior Court

# SUPERIOR COURT CALIFORNIA, COUNTY OF OS ANGELES

DATE: 10/29/03

DEPT. 2

HONORABLE AVIVA K. BOBB

JUDGE

. DEPUTY CLERK A. FISHER

M. ARMSTRONG, ASST. DEP. CLERK

ELECTRONIC RECORDING MONITOR

HONORABLE

JUDGE PRO TEM

NONE

Reporter

J. APPLEGATE

Deputy Sheriff

Plaintiff

BS086058

WALT DISNEY RECORDS

Counsel

Defendant

AARON CHARLES CARTER

Counsel

#### NATURE OF PROCEEDINGS:

#### PETITION TO APPROVE CONTRACT OF MINOR

The Court [X] approves [ ] denies the contract, with conditions, and enters its written order this date.

A copy of this minute order is sent by U.S. Mail this date to petitioner's attorney of record.

Page 1 of 1 DEPT. 2

MINUTES ENTERED 10/29/03 COUNTY CLERK

Thomas H. Edwards (State Bar No. 96368) 301 North Lake Avenue, Seventh Floor Pasadena, California 91101 Telephone: (626) 440-5211

Attorney for Petitioner,

None of the Above, Inc., a California corporation

Contact: Michael Rosenfeld

Telephone: (818) 560-8222

ES SUPERIOR COURT SEP 2 5 2001

# SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF LOS ANGELES

In the Matter of the Contract

CASE NO.:

between 12

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None of the Above, Inc., a California corporation,

Petitioner,

and

Aaron Charles Carter, a minor, by and through Jane E. Carter as guardian ad litem,

Respondent.

RS071453

ORDER APPROVING CONTRACT OF MINOR (CAL. FAM. CODE Section 6751)

The petition of Petitioner None of the Above, Inc. for approval pursuant to California Family Code Section 6751 of the written contract of employment dated as of January 23, 2001 (the "Contract") between Petitioner and Respondent Aaron Charles Carter (the "Minor"), a minor, appearing by and through Jane E.

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Carter as guardian ad litem, having been filed in Department 2 of the above-named Court, The Court hereby finds as follows:

Α. The petition was properly filed in Los Angeles County pursuant to California Family Code Section 6751(a);

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- The petition was properly verified pursuant to в. California Code of Civil Procedure Sections 446 and 2015.5;
- A copy of a document evidencing the Minor's date C. of birth was attached to the petition as Exhibit A;
- A copy of the Contract was attached to the petition as Exhibit B;
- The parties have waived notice and an opportunity to appear and be heard in connection with the instant proceeding;
- F. For the purposes of California Family Code Section 6750, the Contract was entered into on or after January 1, 2000;
- All of the allegations contained in the Petition are true;
- Jane E. Carter is the mother of the Minor and is H. entitled to the physical custody, care, and control of the Minor, and the appointment of a different individual as guardian ad litem for the instant proceeding is not required in the best interests of the Minor;
- The terms of the Contract are fair, just, pequitable and in the best interests of the Minor;
- The Contract was entered into freely and 26 Voluntarily by the parties thereto; and

K. Approval of the Contract is in the best interests of the Minor.

#### GOOD CAUSE APPEARING THEREFOR, IT IS ORDERED that:

- 1. Jane E. Carter is hereby appointed as the Minor's guardian ad litem for all purposes of the instant proceeding.
- 2. The Contract is hereby approved as to all of the terms and conditions thereof, subject to the following conditions:
- a. Any assignment of the Contract (other than any such assignment to an entity related to or affiliated with Petitioner or any entity which succeeds to substantially all the assets of Petitioner) shall be subject to the approval and order of the Court; and
- b. Any injunctive relief sought under the Contract shall be subject to California Code of Civil Procedure Section 526.
- 3. Petitioner is hereby ordered to deduct, until the Minor attains the age of eighteen (18) years, fifteen percent (15%) of the gross earnings payable by Petitioner to the Minor pursuant to the Contract, and to deposit said deducted portion into one or more blocked accounts established and maintained for the benefit of the Minor in accordance with California Family Code Section 6753 and the provisions herein.
- a. Said blocked account(s) shall name the Minor's parent or parents as trustee(s) for the benefit of the Minor.

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- c. At all times, said blocked account(s) shall be fully insured by an insurer listed in California Family Code Section 6753(d), or shall be established with a company that is and remains registered under the Investment Company Act of 1940.
- d. Except as provided herein, there shall be no withdrawals of funds on deposit in said blocked account(s) until the Minor attains the age of eighteen (18) years on December 7, 2005, as evidenced by a copy of the Minor's Certification of Birth issued by the State of Florida, attached to the Petition as Exhibit A, or until further order of this Court.
- e. Upon application by the trustee(s), the financial institution where such blocked funds are held shall use such funds to purchase, in the name of and for the benefit of the Minor, the investments set forth in California Family Code

  Section 6753(e)(3) in accordance with the conditions prescribed therein.
- f. Upon application by the trustee(s), the financial institution where such blocked funds are held shall

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- g. Upon application by the trustee(s), the financial institution where such blocked funds are held shall transfer such funds to another financial institution in the State of California provided that (i) the funds so transferred shall remain subject to the provisions of this Order, and (ii) the transferring financial institution forwards a copy of this Order to the financial institution to which such funds will be transferred.
- 4. Petitioner shall file with the Court a declaration under penalty of perjury evidencing the following:
- a. The initial deposit made into the blocked account(s) was accompanied by (i) a copy of this Order and (ii) a cover letter identifying the Minor, the account number(s) and the trustee(s), and stating that the funds being deposited are blocked from withdrawal pursuant to court order; and
- b. A copy of this Order was forwarded to the parent(s) or legal guardian(s) entitled to the physical custody, care, and control of the Minor along with a cover letter which included the following language: "PLEASE BE ADVISED: California Family Code Section 6752(d) provides that a custodial parent or guardian holds for the benefit of a minor all of the minor's parent or guardian must use such earnings to pay all liabilities

incurred by the minor under the contract, including, but not limited to, payments for taxes on all earnings, including taxes on the amounts set aside, and payments for personal or professional services rendered to the minor or the business related to the contract. (Since the law requires that 15% of the minor's gross earnings be set aside in a blocked account, these obligations must be paid out of the remaining 85% payable under the contract.) Section 6752(d) also provides that nothing therein alters the parent or guardian's existing responsibilities to provide for the support of the minor child. Section 6752(b)(6) provides that the trustee(s) shall do an annual accounting of the funds held in trust in accordance with California Probate Code Sections 16062 and 16063."

5. Once the paying entity deposits the deducted portion into the blocked account(s), Petitioner shall have no further obligation or duty to monitor or account for such funds. The trustee(s) of the blocked account(s) shall be the only individual(s) with the obligation and/or duty to monitor and account for such funds once they have been deposited by the paying entity.

DATED:

SEP 2 5 2001

of the Superior Court

# SUPERIOR COUR OF CALIFORNIA, COUNTY LOS ANGELES

DATE: 10/02/01

HONORABLE Aviva K. Bobb

A. Fisher

DEPT. 2

JUDGE

DEPUTY CLERK D. Simon, Courtroom Asst.

HONORABLE

JUDGE PRO TEM

ELECTRONIC RECORDING MONITOR

J. Applegate

Deputy Sheriff

None

Reporter

BS071453

Plaintiff Counsel

NONE OF THE ABOVE INC

Defendant

AARON CHARLES CARTER

Counsel

### NATURE OF PROCEEDINGS:

PETITION TO APPROVE CONTRACT OF MINOR

The Court [x] approves [ ] denies the contract, with conditions, and enters its written order this date.

A copy of this minute order is sent by U.S. Mail this date to petitioner's attorney of record.

SALP BANK

Page 1 of 1 DEPT. 2

MINUTES ENTERED 10/02/01 COUNTY CLERK

IN THE CIRCUIT COURT OF THE NINTH JUDICIAL CIRCUIT IN AND FOR ORANGE COUNTY, FLORIDA

CASE NO.:

AARON CARTER,

Plaintiff,

VS.

LOUIS J. PEARLMAN and TRANS CONTINENTAL RECORDS, INC., and LOUIS J. PEARLMAN ENTERPRISES, INC.,

Defendants.

# EMERGENCY MOTION FOR TEMPORARY OR PRELIMINARY INJUNCTION AND INCORPORATED MEMORANDUM OF LAW

Plaintiff, AARON CARTER (hereinafter "Plaintiff" or "CARTER"), by and through the undersigned counsel, and pursuant to Fla.R.Civ.P. 1.610, hereby moves the Court for a Temporary or Preliminary Injunction to enjoin Defendants LOUIS J. PEARLMAN ("Pearlman"), TRANS CONTINENTAL RECORDS, INC. ("Trans Continental"), and LOUIS J. PEARLMAN ENTERPRISES, INC. "LJPE")(hereinafter collectively "Defendants"), their officers, agents, servants, imployees, and attorneys, and those persons in active concert or participation with them from taking any action to serve, prosecute or advance a lawsuit filed in

5/26/06

California, and directing Defendants to dismiss the California action. In support of this motion, Plaintiff alleges as follows:

## PRELIMINARY STATEMENT

Counsel for CARTER, Clay M. Townsend, submits herewith his affidavit in support of this motion (the "Townsend Affidavit")(Exhibit A).

CARTER filed a six count complaint in the business court division of the Ninth Judicial Circuit in and for Orange County, Florida (the "Complaint")(Exhibit B) for breach of contract, breach of fiduciary duty, fraud in the inducement, declaratory and injunctive relief, and accounting relating to an Exclusive Recording Artist Agreement (hereinafter "Recording Agreement")(Exhibit A to the CARTER Complaint) entered into by the parties on December 7, 2004. In Count I, CARTER seeks a permanent injunction.

# A. The California Action and This Application

By Complaint for Declaratory Relief dated March 21, 2006, Defendant, Trans Continental commenced an action in the Superior Court of the State of California for the County of Los Angeles (the "California Action")(Exhibit C). The California Action has not been served on CARTER and no proceedings have advanced in the California Action. (Townsend Aff., ¶ 5). The California Action subverts the express provisions of the choice of law and forum provisions under the Recording Agreement. (Ex. A, ¶ 13a), to wit:

"This agreement has been entered into in the State of Florida, and the validity, interpretation and legal effect of this agreement shall be governed by the laws of the State of Florida applicable to contracts entered into and performed entirely within the State of Florida..."

and

"...all claims, disputes or disagreements, which may arise out of the interpretation, performance or breach of this agreement shall be submitted exclusively to the jurisdiction of the state courts of the State of Florida or the Federal District courts located in Orange County."

### B. Facts Relevant To This Motion.

The Court is respectfully referred to the Townsend Affidavit for the facts relevant to this motion which establish that all claims in the California Action are subject to the exclusive jurisdiction of the courts in Florida.

### POINT I

# STRONG PUBLIC POLICY FAVORS ENFORCEMENT OF CONTRACTUAL AGREEMENTS REGARDING DISPUTE RESOLUTIONS

# A. The Contractual Choice of Law and Forum

Florida courts strictly enforce contractual choice of law provisions. The parties have submitted to the jurisdiction of the state courts of the state of Florida for all claims, disputes or disagreements arising out of the interpretation, performance or breach of the Recording Agreement at Paragraph 13(a). The law in Florida is clear that forum selection clauses are presumptively valid and should be

enforced. See <u>Corsec</u>, <u>S.L. v. VMC International Franchising</u>, <u>LLC</u>, 909 So.2d 945 (Fla. 3d DCA 2005). If the contract unambiguously requires litigation to be brought in a particular venue, it constitutes reversible error for the trial court to fail to honor that contractual obligation. <u>Ware Else</u>, <u>Inc. v. Ofstein</u>, 856 So.2d 1079 (Fla. 5<sup>th</sup> DCA 2003).

In Florida, choice of law provisions are deemed presumptively valid and will be enforced unless the law of the chosen forum contravenes public policy. In Walls v. Quick & Reilly, Inc., 824 So.2d 1016 (Fla. 5<sup>th</sup> DCA 2002), the court held that choice-of-law provisions are valid unless the party seeking to avoid enforcement of them sufficiently carries the burden of showing that the foreign law contravenes strong public policy of the forum jurisdiction. The term "strong public policy" means that the public policy must be sufficiently important that it outweighs the policy protecting freedom of contract. Defendants must overcome the presumption that the choice of forum provision is invalid as it is Defendants who have sought to avoid enforcement. *Id*.

When all the parties to an agreement have designated a particular jurisdiction as the forum for the resolution of their disputes, such a forum selection dause is prima facie valid and should be enforced unless unreasonable under the circumstances. A forum selection clause will only be set aside if a party shows that enforcement would be unreasonable and unjust or that the clause is invalid

because of fraud or overreaching, such that a trial in the contractual forum would be so gravely difficult and inconvenient that the challenging party would, for all practical purposes, be deprived of his or her day in court. See <u>Tuttle's Design-Build</u>, Inc. v. Florida Fancy, Inc., 604 So.2d 873 (Fla. 2d DCA 1992), and <u>Southwall Technologies</u>, Inc. v. Hurricane Glass Shield, 846 So.2d 669 (Fla. 2d DCA 2003).

# Statutory Support for Choice of Law and Forum Provisions

Even if the Defendants were out of state or conduct some business out of state, Florida jurisdiction is still proper because of the contractual provisions of the Recording Agreement. Section 685.102(a), Fla. Stat., when read in conjunction with § 685.101(1), provides that a person may bring an action in a Florida court against another person regardless of whether the second person resides outside of Florida, provided that 1) the action "arises out of or relates to" any contract, agreement or undertaking; 2) the contract contains a choice of law provision specifying that Florida law will apply; 3) the second person has agreed to submit to the jurisdiction of Florida courts in that same contract; and 4) the contract falls within the scope of § 685.101.

In order for the contract to fall within § 685.101, subsection (1) specifies that the contract must "involve consideration" or "relate to an obligation" worth \$250,000 or more. Assuming this threshold is met, § 685.101(1) allows parties "to

the extent permitted under the United States Constitution" to specify that Florida law will govern the contract, regardless of whether the contract bears any relation to Florida. The Recording Agreement involves an obligation of more than \$250,000 as it relates to the recording services of CARTER, an internationally known recording artist and actor.

Here, in addition to the choice of forum clause in the Recording Agreement, Defendants also have sufficient minimum contacts with the State of Florida. As alleged in the Complaint, Defendant PEARLMAN is a resident of Orange County, Florida, and Defendants Trans Continental and LJPE are both Florida corporations with their principal offices located in Orlando, Florida. Therefore, there is also an independent basis in addition to the choice of Florida forum in the Recording Agreement for Florida to exercise jurisdiction. Four Star Resorts Bahamas, Ltd. V. Allegro Resorts Management Services, Ltd., 811 So.2d 809 (Fla. 3d DCA 2002).

# POINT II DEFENDANTS ARE ESTOPPED FROM CHALLENGING THE CHOICE OF FORUM AND CHOICE OF LAW CLAUSES

The Recording Agreement executed by the Defendants TRANS CONTINENTAL RECORDS, INC. and LOUIS J. PEARLMAN ENTERPRISES, EC. provided for the exclusive jurisdiction of the Florida courts. Defendants contractually agreed at Paragraph 13(a) of the Recording Agreement to subject themselves to the state courts of the State of Florida or the Federal District courts

of Orange County, Florida as the exclusive venue to resolve disputes arising from the Recording Agreement. Defendants should be estopped from seeking avoidance of this provision.

# POINT III FLORIDA COURTS WILL ENJOIN EFFORTS TO INTERFERE WITH THEIR JURISDICTION

CARTER is entitled to an injunction enjoining Defendants from undermining the choice of forum and choice of law provisions in the Recording Agreement. The use of injunctive relief to enforce a forum selection clause has been upheld as a proper exercise of discretion in this very instance. Courts have likewise used injunctive relief to enforce a forum selection clause.

In AutoNation, Inc. v. Hankins, No. 03-14544 CACE(05) (Fla. 17<sup>th</sup> Cir. Ct. Nov. 24, 2003), the court upheld the grant of a permanent injunction against the defendant's pursuit of foreign litigation. There, the plaintiff sued to enforce a mandatory forum selection clause in the parties' agreements that required the parties to litigate disputes connected with the agreements only in Florida. The court also noted that the defendant did not meet his burden to demonstrate that the parties' contractual choice of law should be disregarded by the court. The court stimutely granted a temporary injunction enjoining the defendant from bringing

any other lawsuits arising out of the agreement against the plaintiff outside of Florida.

# POINT IV PLAINTIFF OTHERWISE MEETS THE COMMON LAW REQUIREMENTS FOR A PRELIMINARY INJUNCTION

Under Florida law, a party seeking temporary injunction must establish: 1) the likelihood of irreparable harm; 2) the unavailability of an adequate remedy at law; 3) substantial likelihood of success on the merits; and 4) considerations of public interest. Supinski v. Omni Healthcare, P.A., 853 So.2d 526 (Fla. 5th DCA 2003).

# 1. In the Absence of a Preliminary Injunction, Plaintiff Will Suffer Immediate and Irreparable Harm

Rather than resolve the parties' dispute in a convenient and agreed location,

Defendants seek to drag CARTER into a forum which will result in CARTER
having to litigate related claims in two jurisdictions. CARTER has demonstrated
herein that he will be subjected to irreparable harm if he is forced to engage in
duplicative litigation and unnecessary expense.

Absent the issuance of an injunction, the Defendants will be able to previously agreed to. The requested injunctive relief is necessary to prevent

Defendants from further trampling upon the rights of CARTER in contravention to the terms and conditions of the Recording Agreement.

## 2. There exists no Adequate Alternative Remedy at law.

The temporary injunction is the only means available to protect the CARTER from Defendants' improper actions. CARTER'S eventual resolution of its legal dispute in the proper Florida forum will not adequately recompense CARTER for the time and money associated with litigating Defendants' claims in the improper California forum.

### 3. Plaintiff Has Established a Likelihood of Success on the Merits

A reading of the clear choice of law and forum provision of the Recording Agreement make it apparent that Plaintiff has a likelihood of success on the merits of his claims.

## 4. The Public Interest Will Be Served by the Temporary Injunction

There is a public interest in the orderly conduct of business by preventing the facilitation of Defendants' improper forum shopping while the relative rights of the parties under the Recording Agreement are determined by a Florida court.

There is also public interest in protecting freedom of contract by enforcing the parties' choice of law provisions in contracts.

5. CARTER has made efforts to give notice to Defendants with regard to the Emergency Motion for Temporary Injunction as a copy of same is being served

on Defendants by process server together with a copy of the notice of hearing on this matter.

### CONCLUSION

WHEREFORE CARTER demands judgment for a temporary injunction:

- 1) enjoining and restraining Defendants, their agents, servants, employees and all others acting in concert with or on behalf of Defendants and all others having notice of this application, pending final judgment herein, from taking any action to serve, prosecute or advance a lawsuit filed in the Superior Court of the State of California For The County of Los Angeles, Case No. BC349317 entitled Trans Continental Records v. Carter;
  - 2) Directing Defendants to dismiss the California Action;
  - 3) Granting to Plaintiff attorneys' fees and costs necessitated by this

    Motion and any other motions filed in California; and
- 4) Granting to CARTER such other and further relief as is just proper and equitable.

# **CERTIFICATE OF SERVICE**

I HEREBY certify that a true and correct copy of this motion and the affidavit of Clay M. Townsend has been provided for service this 26 day of May, 2006, to: Louis J. Pearlman, 127 West Church Street, Suite 350, Orlando, Florida 32801; Trans Continental Records, Inc., 127 West Church Street, Suite

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350, Orlando, Florida 32801; Louis J. Pearlman Enterprises, Inc., 127 West Church Street, Suite 350, Orlando, Florida 32801; and James D. Nguyen, Esq., Foley & Lardner LLP, 2029 Century Park East, Suite 3500, Los Angeles, California 90067-3021.

CLAY M. TOWNSEND, ESQUIRE

Florida Bar No.: 363375

KEITH R. MITNIK, ESQUIRE

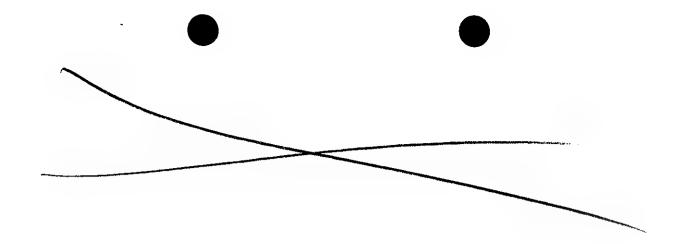
Florida Bar No.: 436127 -- MORGAN & MORGAN, PA.

20 North Orange Avenue, 16th Floor

P.O. Box 4979

Orlando, Florida 32802-4979

PH: (407) 420-1414 Fax: (407) 425-8171 Attorneys for Plaintiff



# **EXHIBIT "A"**

IN THE CIRCUIT COURT OF THE NINTH JUDICIAL CIRCUIT IN AND FOR ORANGE COUNTY, FLORIDA

CASE NO.: 2006-CA-4293

**DIV. 32** 

AARON CARTER,

Plaintiff,

VS.

LOUIS J. PEARLMAN and TRANS CONTINENTAL RECORDS, INC., and LOUIS J. PEARLMAN ENTERPRISES, INC.,

Defendants.

## EXHIBIT A AFFIDAVIT

STATE OF FLORIDA )

COUNTY OF ORANGE)

CLAY M. TOWNSEND, being duly sworn deposes and says:

1. I am a member of Morgan & Morgan, P.A., attorneys for Plaintiff, Aaron J. Carter ("Plaintiff" or "CARTER"). I make this affidavit in support of CARTER'S motion for a temporary injunction against the prosecution by the Defendants of a lawsuit improperly filed in California against CARTER.

2. The relief sought would preclude an effort by Defendants to subvert the exclusive jurisdiction of this Court and to evade the express terms of the Exclusive Artist Recording Agreement ("Recording Agreement")(Exhibit A to Plaintiffs' Complaint) entered into by the parties on December 7, 2004, which provides at Paragraph 13(a) that:

"This agreement has been entered into in the State of Florida, and the validity, interpretation and legal effect of this agreement shall be governed by the laws of the State of Florida applicable to contracts entered into and performed entirely within the State of Florida..."

and

- "...all claims, disputes or disagreements, which may arise out of the interpretation, performance or breach of this agreement shall be submitted exclusively to the jurisdiction of the state courts of the State of Florida or the Federal District courts located in Orange County."
- 3. Defendant Trans Continental Records, Inc. (hereinafter "Trans Continental") is a Florida corporation. Trans Continental, recently filed a Complaint for Declaratory Judgment against CARTER in the Superior Court of the State of California For The County of Los Angeles, Central District, Case No. BC349317 entitled Trans Continental Records v. Carter (the "California Action"). A copy of the complaint in the California Action is attached as Exhibit C to Plaintiff's Motion.
- 4. The issues raised by the California Action (a declaratory judgment action) arise out of the performance and/or alleged breach of the Recording

Agreement and the parties have previously agreed that all such issues would be resolved under Florida law by Florida courts.

- 5. The California Action was filed on March 21, 2006, but has not been served on CARTER, and no proceedings have occurred in California.
- 6. The instant motion does not require resolution of the underlying issues between the parties. It is designed to enforce the choice of forum provisions. On this motion we ask the Court to enjoin the effort to avoid the jurisdiction of this Court and require that all claims asserted in the California Action be litigated before this Court.
- 7. The California Action makes no mention of the exclusive forum and governing law provisions in the Recording Agreement between the parties and even states at ¶ 3 that CARTER'S "last known address was in Marathon, Florida." As more fully set forth in the accompanying motion and memorandum of law, the claims asserted in the California Action are covered by the Recording Agreement which governs the relationship between the parties and whose forum selection provision clearly subject the parties to the exclusive jurisdiction of this Court.
- 8. After execution of the Recording Agreement, certain contractual commitments made by the Defendants pursuant to the Recording Agreement were breached and a dispute has arisen among the parties with respect to the rights and obligations of the parties under the Recording Agreement. CARTER has filed a

complaint against Defendants in the business division of the circuit court of the Ninth Judicial Circuit in Orange County, Florida.

- 9. CARTER would be irreparably injured by having to appear before a California court to defend the California Action which violates the choice of law and forum selection provisions in the Recording Agreement.
- 10. Pearlman, Trans Continental and LJPE reside in Florida and/or are Florida corporations and have current nexus with Florida.
- 11. As more fully described in CARTER'S complaint, Defendants have violated the Recording Agreement in numerous ways, giving rise to CARTER'S claims, including for breach of contract, which are disputes to be litigated exclusively in Florida.
- 12. The requested injunction will leave the Defendants free to assert any defenses and/or claims in the Florida forum to which they agreed. There does not appear to be any further inconvenience of litigating this matter in the parties' chosen forum as counsel for Defendants who filed the California Action, Foley & Lardner LLP, also has offices in Florida, and more particularly the Orlando office currently represents Defendants.
- 13. The accompanying Emergency Motion for Temporary Injunction provides for service of the motion and notice of hearing on the individual Defendant and upon the corporate Defendants by process server with a courtesy

copy to counsel in the California action. This provides the Defendants with full and complete notice of these proceedings.

- It is respectfully submitted that by reason of the foregoing, all due 14. process rights are protected by delivery of these proceedings in the manner set forth.
- The undersigned respectfully requests that the Court enter an order 15. granting the relief sought.
- No previous application has been made for the relief requested in this application.

TOWNSEND

The foregoing instrument was acknowledged before me this 26 day of May, 2006, by Clay M. Townsend, who is personally known to me or who has produced a driver's license as identification and who did take an oath.

Notary Public

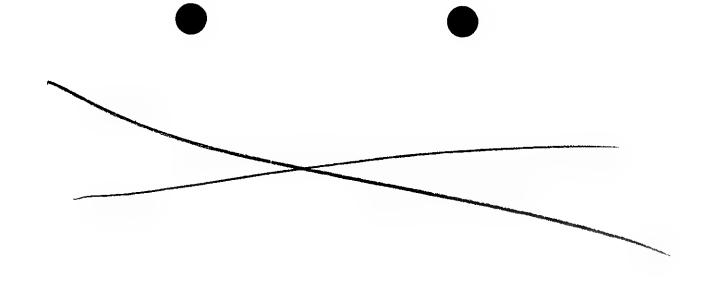
State of Florida at Large

My Commission Number

My Commission Expires:

DD 358941

DD 358941



### **EXHIBIT "B"**

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IN THE CIRCUIT COURT OF THE NINTH JUDICIAL CIRCUIT IN AND FOR ORANGE COUNTY, FLORIDA

CASE NO.:

AARON CARTER,

Plaintiff,

VS.

LOUIS J. PEARLMAN and TRANS CONTINENTAL RECORDS, INC., and LOUIS J. PEARLMAN ENTERPRISES, INC.,

Defendants.

### **COMPLAINT**

Plaintiff, AARON CARTER, by and through the undersigned counsel, hereby files the following complaint against Defendants, LOUIS J. PEARLMAN, TRANS- CONTINENTAL RECORDS, INC., and LOUIS J. PEARLMAN ENTERPRISES, INC., and alleges:

#### SUBJECT MATTER JURISDICTION

1. The amount in controversy in this action exceeds \$15,000, exclusive of interest, court costs and attorney's fees. The Court also has subject matter durisdiction by virtue of the claims asserted and the remedies requested, both at law and in equity.

#### PERSONAL MATTER JURISDICTION

- 2. Plaintiff, AARON CARTER (hereinafter "CARTER" or "Plaintiff") is a successful multi-talented pop singer and actor. For the majority of his life, CARTER has dedicated himself to perfecting his craft of singing, dancing, entertaining, and both film and television acting.
- 3. Robert Carter was, until CARTER reached the age of majority on December 7, 2005, the parental guardian of CARTER.
- 4. Defendant, LOUIS J. PEARLMAN (hereinafter "PEARLMAN") is a resident of Orange County, Florida.
- 5. Defendant, TRANS CONTINENTAL RECORDS, INC. (hereinafter referred to as "TRANS CONTINENTAL"), is a Florida corporation having its principal place of business at 127 West Church Street, Suite 350, Orlando, Florida 32801.
- 6. Defendant, LOUIS J. PEARLMAN ENTERPRISES, INC., (hereinafter referred to as "LJPE"), is a Florida corporation having its principal place of business at 127 West Church Street, Suite 350, Orlando, Florida 32801.
- 7. The parties to this proceeding have submitted themselves to the surrisdiction of the courts of the State of Florida for all claims, disputes or disagreements arising out of the interpretation, performance or breach of the Exclusive Artist Recording Agreement (Fereinafter "Recording Agreement")

entered into by the parties, at Paragraph 13(a). The Recording Agreement is attached as Exhibit A.

- 8. PEARLMAN is, or was, an officer, director, agent and/or controlling shareholder of TRANS CONTINENTAL and LJPE, which PEARLMAN utilized for the purpose of conducting the business of, and contracting for and on behalf of, CARTER.
- 9. CARTER is informed and believes, and thereon alleges that Defendants PEARLMAN, TRANS CONTINENTAL, and LJPE (hereinafter collectively referred to as "Defendants") are and, at all times material hereto, were the alter egos of each other and that there now exists and, at all times material hereto, has existed a unity of interest and ownership among such Defendants such that any separateness has ceased to exist in that PEARLMAN, TRANS CONTINENTAL, and LJPE, and each of them, used assets of the other for his, its or their separate and individual purposes, and caused assets to be transferred to each other without adequate consideration.
- PEARLMAN completely owned, controlled, dominated, used, managed, and perated TRANS CONTINENTAL, LJPE, and other companies, and intermingled assets of said alter egos for his convenience. Any obligation, duty and liability of TRANS CONTINENTAL and/or LJPE as alleged herein shall be deemed to

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similarly be an obligation, duty and liability of the alter-ego PEARLMAN, and vice versa.

- 11. CARTER is informed and believes, and thereon alleges that adherence to the fiction of the separate existence of PEARLMAN, TRANS CONTINENTAL, and LJPE, and each of them, as parties distinct from each other would permit abuse of the corporate privilege and would sanction fraud and promote injustice.
- 12. From practically his first meeting with CARTER, PEARLMAN ingratiated himself with him and his parents and earned their trust by-repeatedly stating, among other things, that they were "family" and that he was an experienced, educated businessman who would protect them and look after CARTER'S best interests.
- 13. The core of PEARLMAN'S design was a web of interrelated companies and contracts by which PEARLMAN siphoned off the vast majority of CARTER'S earnings.
- 14. By 2004, PEARLMAN simultaneously owned and controlled CARTER'S management, record label, merchandising, and touring, and also exercised dominion over CARTER'S personal life. Consequently, PEARLMAN'S duties to CARTER were both contractual and fiduciary in nature.
- 15. In or about 2004 PEARLMAN induced CARTER to enter into an Exclusive Management Agreement (hereinafter "Exclusive Management

Agreement") pursuant to which PEARLMAN would, as CARTER'S agent, comanage all the affairs of CARTER with CARTER'S father, Robert Carter.

- 16. Various disputes arose between PEARLMAN, CARTER and CARTER'S parents, which resulted in CARTER initiating litigation against PEARLMAN and TRANS CONTINENTAL.
- 17. The litigation was settled by the execution of a settlement agreement. Prior to and at the time of the settlement, PEARLMAN fraudulently represented to CARTER and to Robert Carter that there were no outstanding liabilities to or royalties due to CARTER. PEARLMAN concealed and/or failed to disclose the improper actions that he had taken in order to induce Robert Carter to enter the settlement agreement on behalf of his son and ward, CARTER.
- 18. Among the many terms of the settlement, Jane Carter, co-manager with Robert Carter, was terminated as CARTER'S manager, but CARTER was obligated to continue making payments to PEARLMAN, TRANS CONTINENTAL, and Robert Carter, and PEARLMAN continued to manage CARTER.
- 19. PEARLMAN and TRANS CONTINENTAL falsely represented to CARTER that there were no outstanding monies owed to CARTER, a representation that was a material inducement to CARTER in order for CARTER to enter the settlement with PEARLMAN and TRANS CONTINENTAL, and as an

inducement for CARTER to take no action to mitigate and/or pursue potential claims against Defendants.

- 20. PEARLMAN repeatedly told CARTER that he had not yet realized much profit because CARTER was in an un-recouped position, and because any money that CARTER might have been due was tied up in the "pipeline," and therefore, had not yet been received. PEARLMAN made these statements in order to induce CARTER to refrain from taking further legal action against him, and to induce CARTER to agree to PEARLMAN'S ongoing management. --CARTER reasonably relied on the statements to his detriment.
- 21. PEARLMAN was at fault for committing wrongful acts against CARTER and for not acting in CARTER'S best interest while acting as CARTER'S manager, agent, and without full disclosure to CARTER, to wit:
  - a. creating multiple corporations including TRANS CONTINENTAL and LJPE, with the intent to usurp, divert and misappropriate certain rights, property, revenues, income, profits, royalties, and opportunities due to CARTER without the knowledge, consent, agreement or vote of CARTER;
  - b. incorporating and/or using business entities, including TRANS CONTINENTAL and LJPE, to appropriate and procure for himself, directly or indirectly, royalties, business opportunities, contracts, property rights, revenues, income and profits generated by the promotion, merchandising, recording and touring of CARTER, while fraudulently representing to CARTER that CARTER was not generating revenues, income and/or profits or, alternatively, that monies owed CARTER were "tied up in litigation";
  - c. concealing from and/or refusing to provide timely and accurate accountings and royalties to CARTER.

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- 22. Acting both as CARTER'S manager as well as CARTER'S record label, PEARLMAN occupied a position of confidentiality and trust, and owed a fiduciary duty to CARTER, which includes all of the following duties:
  - a. to act in good faith;
  - b. to discharge his duties with the highest degree of care to his fiduciary;
  - c. to act in a manner he reasonably believed was in the best interest of CARTER;
  - d. to refrain from entering into transactions from which PEARLMAN would derive an improper personal benefit, either directly or indirectly;
  - e. to maintain and provide timely and accurate accounting records;
  - f. to make full disclosure of any and all facts before inducing CARTER to enter agreements.
- 23. PEARLMAN breached his fiduciary duty to CARTER, by using multiple corporations including TRANS CONTINENTAL and LJPE for the sole purpose of usurping certain opportunities, property, revenues, income, royalties, and profits due to CARTER, for PEARLMAN'S own benefit without providing notice and/or obtaining the vote and/or consent and/or ratification of CARTER, and by ignoring contractual requirements, and corporate formalities, and by failing to disclose information. PEARLMAN'S breaches were concealed from CARTER.
- 24. PEARLMAN, while a manager of CARTER, breached his fiduciary duty to CARTER by actively arranging for CARTER'S royalties, corporate apportunities and assets to be usurped and diverted from CARTER to himself and his corporations, including TRANS CONTINENTAL and LIPE. He did this, upon

information and belief, with the intention of wrongfully enriching himself far beyond industry standards and/or the contractual provisions of the Recording Agreement, and outside of any understanding of or agreement with CARTER. These breaches were concealed from CARTER.

- 25. On or about December 7, 2004, PEARLMAN exerted financial pressure and undue influence to induce CARTER, a minor with no legal capacity, and his father Robert Carter to enter the Recording Agreement.
- 26. The Recording Agreement was executed by CARTER, PEARLMAN on behalf of LJPE, and TRANS CONTINENTAL.
- 27. At the time of the execution of the Recording Agreement, CARTER was represented by PEARLMAN and by his parental guardian, Robert Carter. At the time of the execution of the Recording Agreement, Robert Carter and PEARLMAN were co-managers of CARTER.
- 28. PEARLMAN exerted undue influence upon CARTER to induce him to enter the Recording Agreement, to wit:
  - a) CARTER was a minor, and was subject to influence;

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- b) PEARLMAN had the opportunity as CARTER'S co-manager with CARTER'S father to exert undue influence;
- c) PEARLMAN was disposed to exert undue influence; and
- d) as a result, CARTER entered into an unconscionable Recording Agreement without the available protections of Florida court approval promised by PEARLMAN.

- 29. The term of the Recording Agreement was one (1) year with six (6) consecutive options for a total of seven (7) years. The Recording Agreement required CARTER to pay TRANS CONTINENTAL unconscionable royalty rates far exceeding industry standards, i.e. fifty percent (50%) of CARTER'S net advances and royalties, among other things.
- 30. The Recording Agreement provides at Paragraph 13(b) that provisions requiring Defendants to provide accountings may be held enforceable; notwithstanding a finding of invalidity of provisions requiring GARTER'S performance, or the termination of the Recording Agreement.
- 31. The effect of the Recording Agreement was expressly conditioned "upon and subject to the approval of the state courts of Florida having jurisdiction in the premises," at Paragraph 10(n) of the Recording Agreement, which additionally stated that CARTER was not a resident of the State of California.
- 32. The Recording Agreement provides at Paragraph 13(a) that the Recording Agreement was entered into in the State of Florida and that its validity, interpretation and legal effect shall be governed by the laws of the State of Florida.
- 33. The Defendants did not obtain the required approval of Florida courts, for did they file a petition for the removal of nonage disability in Florida pursuant \$ 743, Fla. Stat., notwithstanding that Florida was the choice of law and forum

for all matters relating to CARTER'S minority and the Recording Agreement and the requirements of Paragraph 10(n).

- 34. § 743, Fla. Stat. requires, among other things, that in order for Florida courts to remove the nonage disability of a minor to enter contracts, certain protections are available to the minor, including, but not limited to:
  - a. no contract with the minor exceed three years;
  - b. the minor have a guardian ad litem appointed by the court;
  - c. the minor, parental or legal guardian, and the guardian ad litem appear in court as a procedural safeguard for the minor's best interest;
  - d. a guardianship plan be approved by the court to set aside the minor's earnings.
- 35. On or about February 20, 2005, Defendants, notwithstanding the requirement that the Recording Agreement be submitted to a Florida court for approval, petitioned the Superior Court of the State of California for approval of the Recording Agreement, which was a material breach of the Recording Agreement, and Defendants made false and/or erroneous statements in the petition, including that "the recording agreement is fair and reasonable and in the best interest of the minor," and that "the appointment of a different individual is not required in the best interest of the minor."
- 36. Earlier, on February 8, 2005, CARTER was induced by PEARLMAN sign a waiver of notice of any hearing on Defendants' California petition, and a consent to the issuance of an order approving the Recording Agreement.

- The California petition was improper because CARTER, who was a 37. minor at the time, did not have an independent guardian ad litem to protect his best interest, nor did CARTER reside in California, nor did Defendants have their principal office in the State of California.
- On or about April 20, 2005, the Superior Court of the State of 38. California entered an order (hereinafter "California order") approving the Recording Agreement.
- 39. In early 2005, upon information and belief, the California court denied PEARLMAN'S and TRANS CONTINENTAL'S motions for approval of the Exclusive Management Agreement with CARTER.
- 40. Pursuant to the California order at Paragraph 5(b), Defendant PEARLMAN'S co-manger, Robert Carter, who simultaneously acted as CARTER'S guardian, was obligated to pay the taxes on the 15% of CARTER'S gross earnings which were to be set aside in a trust pursuant to California Family Code § 6752(e) and pursuant to the petition at page 3, Paragraph 2 submitted by the petitioner, Defendant TRANS CONTINENTAL.
- In or about September 2005, CARTER terminated the Exclusive 41. Management Agreement with PEARLMAN.

  42 On December 7, 2005, CARTER
  - 42. On December 7, 2005, CARTER reached the age of majority.

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- 43. On January 25, 2006 counsel for CARTER, Holland & Knight, sent a letter to Defendants informing them of CARTER'S attaining majority and requesting all of CARTER'S agreements and documents. (Exhibit B, Holland & Knight letter).
- 44. On or about March 6, 2006 counsel for CARTER, Holland & Knight, sent another letter to Defendants requesting documents and information relative to the Recording Agreement and disaffirming agreements entered into between CARTER and the Defendants while CARTER was a minor. (Exhibit C,-Holland & Knight letter No. 2). The entreaties of CARTER'S counsel were ignored by PEARLMAN and the other Defendants.
- 45. PEARLMAN, TRANS CONTINENTAL, and LJPE have refused to provide documents, including royalty statements, to CARTER that evidence Defendants' wrongful actions taken against CARTER without the knowledge, approval or consent of CARTER.
- 46. As a result of PEARLMAN'S breaches of his statutory and fiduciary duties owed to CARTER, CARTER has been damaged.

# Count I INJUNCTIVE RELIEF Against All Defendants

CARTER realleges and incorporates herein by reference the allegations set forth in paragraphs 1 through 46 above.

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- 47. CARTER will suffer irreparable harm and injury by performing any purported obligations under the Recording Agreement, or by TRANS CONTINENTAL continuing to act as CARTER'S record label, unless the parties are enjoined from performing thereunder.
- 48. The Recording Agreement expressly provides that CARTER may seek relief under Florida law and in a Florida forum for disputes arising from the Recording Agreement, and CARTER will suffer irreparable harm if Defendants are not enjoined from filing actions arising from, or related to, the Recording Agreement in forums other than Florida.
- 49. CARTER is entitled to an injunction because he has a likelihood of success on the merits of his claims as to the invalidity and unenforceability of the Recording Agreement, and as to the choice of law and forum.
- 50. The irreparable injury to be sustained by CARTER is more burdensome to CARTER than any potential harm that could be caused to the Defendants through the imposition of the injunction, in that the Defendants are currently not performing any duties for CARTER, or any terms of the Recording Agreement.
- 51. Defendants should be specifically enjoined from pursuing any purported rights under Paragraph 13(g) to assign or license the Recording Agreement to major record labels or any other party; or to enter any other

agreement on behalf of CARTER without the prior written consent of CARTER or order of this Court; or to demand performance by CARTER of any of the conditions of the Recording Agreement.

WHEREFORE, CARTER requests that this Court grant, where appropriate, preliminary, and/or permanent injunctive relief as follows:

- a) that any and all arbitral, judicial, quasi-judicial, administrative, contractual, or other proceeding which depends, requires, or assumes as a condition precedent that the Recording Agreement is valid be enjoined until such time as the validity of the Recording Agreement is determined by this Court;
- b) that, until such time as the validity of the Recording Agreement is determined by the Court, Defendants be enjoined from executing upon any award, judgment, or similar instrument which results from an arbitral, judicial, quasi-judicial, administrative, contractual, or other proceeding which depends, requires, or assumes as a condition precedent that the recording agreement is valid;
- c) that the forum selection provisions in the Recording Agreement are presumptively valid and should be enforced, and that Defendants be enjoined from prosecuting any other action regarding the Recording Agreement in any forum other than the State of Florida;

- d) that Defendants should be specifically enjoined from pursuing any purported rights under Paragraph 13(g) to assign or license the Recording Agreement to major record labels or any other party, or to enter any other agreement on behalf of CARTER without the prior written consent of CARTER, or without order of this Court.
- e) such other relief as the Court deems just and proper.

#### Count II

### DECLARATORY RELIEF: THE RECORDING AGREEMENT Against All Defendants

CARTER realleges and incorporates herein by reference the allegations set forth in paragraphs 1 through 46 above.

- 52. This is an action brought pursuant to Chapter 86, Fla. Stat., for declaratory relief.
- 53. There exists between or among the parties to this action a dispute as to the validity of the Recording Agreement and as to the proper law and forum.
- 54. CARTER contends that the Recording Agreement is void and unenforceable as to CARTER because of the invalidity and unenforceability of the ecording Agreement, in that the Recording Agreement was entered into when EARTER was a minor without legal capacity to enter contracts; and because Defendants never satisfied the express contractual condition requiring Florida court

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approval under § 743, Fla. Stat., regarding the removal of nonage disability which would have provided statutory protections to CARTER; and because the choice of law and forum provision are express and clear.

WHEREFORE, CARTER requests that this Court declare the parties' respective rights as follows:

- a) that any provision in the Recording Agreement that purports to obligate CARTER be declared invalid and void ab initio;
- b) that the Defendants receive no monies, collect no revenues, nor enter any agreements on behalf of CARTER pursuant to the Recording Agreement;
- c) that the Defendants immediately produce to CARTER any and all contracts, agreements, documents, property, or any other items obtained through or arising from the Recording Agreement with CARTER,
- d) that any and all disputes regarding the Recording Agreement be governed by the laws of and in the courts of the State of Florida
- e) any and all other and further relief that the Court deems just and proper.

#### Count III

### FRAUD IN THE INDUCEMENT Against All Defendants

CARTER realleges and incorporates herein by reference the allegations set forth in paragraphs 1 through 46 above.

- 55. PEARLMAN, TRANS CONTINENTAL and LJPE fraudulently induced CARTER to enter into the Recording Agreement of December 7, 2004.
- 56. PEARLMAN, TRANS CONTINENTAL, and LJPE represented to CARTER in the Recording Agreement at Paragraph 6 that CARTER would be provided periodic accountings, that the validity of the Recording Agreement would be conditioned upon, and adhere to, Florida law and Florida court approval; that CARTER was owed no royalties or that monies were "tied up"; that the Recording Agreement was fair and within industry standards.
- 57. PEARLMAN made these representations to CARTER, knowing they were false, and knowing that CARTER would rely on them as an inducement to sign the Recording Agreement.
  - 58. PEARLMAN knew at the time that these representations were false.
- 59. CARTER reasonably relied upon PEARLMAN'S misrepresentations, and was damaged in that CARTER was induced to enter the Recording Agreement with PEARLMAN, TRANS CONTINENTAL, and LJPE.

WHEREFORE, CARTER demands judgment against PEARLMAN, TRANS CONTINENTAL, and LJPE for damages resulting from the Defendants' fraudulent actions, which damages include, *inter alia*, unpaid royalties, compensatory damages, including lost profits, fees, revenues, and consequential damages, together with an award of pre-and post-judgment interest, attorneys' fees and costs, and for such other and further relief that this Court deems appropriate.

CARTER demands a jury trial on all issues so triable.

#### Count IV

### ACCOUNTING Against All Defendants

CARTER realleges and incorporates herein by reference the allegations set forth in paragraphs 1 through 46 above.

- 60. Defendants were obligated by Paragraph 6 and 8 of the Recording Agreement to provide periodic and timely accountings to CARTER. Pursuant to Paragraph 11(c), Defendants duty to pay royalties was continuing, even if, or after, the Recording Agreement was terminated.
  - 61. Defendants have failed to do so.
- 62. CARTER'S counsel, Holland & Knight, LLP, sent letters to EARLMAN on January 25 and March 6, 2006 asking for all documents relating CARTER, without any response from Defendants.

- 63. CARTER believes there may be other transactions about which CARTER has not been informed by Defendants, under which additional royalties are due to CARTER.
- 64. CARTER has not received timely and accurate accountings of royalties which CARTER was to be paid under the Recording Agreement.
- 65. Because of the number and complexity of the transactions in dispute, the time period over which those transactions occurred, and the lack of adequate written records of many of those transactions, CARTER'S remedy\_at law is inadequate and will not be as expeditious as his remedy in equity.
- 66. By virtue of their acts and omissions, Defendants caused damages to CARTER.

WHEREFORE, CARTER demands judgment against Defendants for an accounting of all revenue, including royalties, due to CARTER under the Recording Agreement, compensatory damages, including lost profits, fees, revenues, and consequential damages, together with an award of pre-and post-judgment interest, attorneys' fees and costs, and for such other and further relief that this Court deems appropriate. CARTER demands a jury trial on all issues so riable.

#### Count V

### BREACH OF CONTRACT **Against All Defendants**

CARTER realleges and incorporates herein by reference the allegations set forth in paragraphs 1 through 46 above.

- Defendants and CARTER were parties to the Recording Agreement. 67.
- The provisions of the Recording Agreement have been breached by 68. Defendants, to wit:
  - Paragraph 6 required periodic statements and payments of a. royalties which have not been provided by Defendants;
  - Paragraph 8 as to mechanical royalties, including the failure to b. issue statements pursuant to Paragraph 8(e).

WHEREFORE, CARTER demands judgment against Defendants for damages for breach of contract, compensatory damages, including lost profits, fees, revenues, and consequential damages, together with an award of pre-and post-judgment interest, attorneys' fees and costs, and for such other and further relief that this Court deems appropriate. CARTER demands a jury trial on all issues so triable.

#### Count VI

#### **BREACH OF FIDUCIARY DUTY Against Pearlman**

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CARTER realleges and incorporates herein by reference the allegations set forth in paragraphs 1 through 46 above.

- 69. PEARLMAN and CARTER have been, and/or are, participants in a confidential business enterprise, and reposed trust in each other.
- 70. PEARLMAN acted as CARTER'S personal manager at the time of the signing of the Recording Agreement, and had acted as CARTER'S manager for years before, and PEARLMAN owed CARTER the highest level of fiduciary duty.
- 71. TRANS CONTINENTAL, as the wholly owned and controlled record company of PEARLMAN, together with PEARLMAN, formed a confidential business relationship with CARTER, and they owed CARTER the highest level of fiduciary duty arising from the parties' close and confidential business relationship with each other.
- 72. PEARLMAN, along with TRANS CONTINENTAL, induced CARTER to grant PEARLMAN authority to act as his manager and record label, and to share, control, manage and/or approve the business affairs of CARTER, including inducing CARTER to enter into the Recording Agreement.
- 73. PEARLMAN voluntarily undertook and owed CARTER a fiduciary duty to act in good faith for, on behalf of, and, in the best interests of CARTER, as his manager, and as the controlling decision maker in the business enterprise.
- 74. PEARLMAN voluntarily undertook and owed CARTER a fiduciary duty to act in good faith for, on behalf of, and in the best interests of CARTER because of the confidential, trusting, and business relationship between them.

- 75. CARTER reasonably and justifiably relied upon PEARLMAN'S fiduciary position, representations and promises by agreeing to PEARLMAN'S decisions and directions and by investing significant effort.
- 76. PEARLMAN violated his fiduciary duties to CARTER by engaging in multiple acts and/or omissions including, but not limited to, the following:
  - a. concealing from CARTER the accurate and timely statements of all revenue owed to CARTER;
  - b. failing to provide accountings to CARTER under the Recording Agreement;
  - c. advising CARTER to enter the Recording Agreement, which was unconscionable and outside industry standards; and
  - d. placing pressure on CARTER to enter the Recording Agreement and exerting undue influence on CARTER.
- 77. PEARLMAN also breached his fiduciary duties to CARTER by concealing from and failing to disclose to CARTER the acts and omissions described in Paragraphs (a) through (d) and other fraudulent actions, conflicts of interest and self-dealing.
- 78. CARTER has suffered damages as a result of PEARLMAN'S breach of his fiduciary duty to CARTER.

WHEREFORE, CARTER demands judgment against PEARLMAN for damages for breach of fiduciary duty, compensatory damages, including lost profits, fees, revenues, and consequential damages, together with an award of pre- and post-judgment interest, attorneys' fees and costs, and for such other and further

relief that this Court deems appropriate. CARTER demands a jury trial on all issues so triable.

DATED this 4 day of May, 2006

CLAYM/TOWNSEND, ESQUIRE

Florida Bar No.: 363375

KEITH R MITNIK, ESQUIRE

Florida Bar No.: 436127

MORGAN & MORGAN, PA.

20 North Orange Avenue, 16th Floor

P.O. Box 4979

Orlando, Florida 32802-4979

PH: (407) 420-1414

Fax: (407) 425-8171

Attorneys for Plaintiff

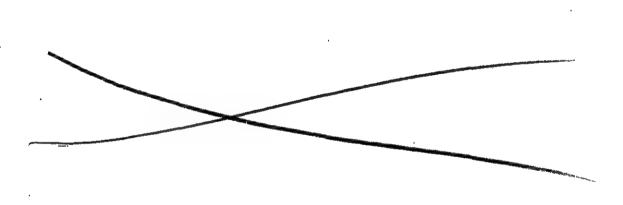
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### EXHIBIT LIST

Exhibit A: Exclusive Recording Artist Agreement

Exhibit B: Holland and Knight Letter #1

Exhibit C: Holland and Knight Letter #2



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Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
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16	17	18	19	20	21	22
23 9 10 10	24	25	26	27	28 5:30 PM (SOUND CHECK) 9:30 PM (SHOW) FASHION ROCK-MARRIOTT WORLD CENTER	29 DAY OFF
30 B	31  12 00 PM CHECK OUT MARRIOTT W/ TRACY- CHECK IN WESTGATE LAKES  7 30 PM -10 00 PM (REHEARSAL) T-CON STUDIO					



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Monday	Tuesday	Wednesday	Thursday	Friday	Saturday		
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	2:00 PM -5:00 PM (REHEARSAL) T-CON STUDIO	2.00 PM -5:00 PM (REHEARSAL) T-CON STUDIO	2:00 PM -5:00 PM (REHEARSAL) T-CON STUDIO	9:00 AM -12:00 PM (REHEARSAL) T-CON STUDIO	(SHOW) :HEDULED-FREDE MD		
	6;30 PM -10,00 PM (REHEARSAL) T-CON STUDIO	6:30 PM -10:00 PM (REHEARSAL) T-CON STUDIO	6:30 PM -10:00 PM (REHEARSAL) T-CON STUDIO	(SHOW) CUMBERLAND, MD	LATE RETURN TO ORLANDO		
				DEPARTURE FOR MARYLAND SHOWS-TIME TBA			
7	8	9	10	11	12		
AC- FILMING IN LA	AC- FILMING IN LA	AC- FILMING IN LA	AC-FILMING IN LA	ARRIVAL NY- DANCERS, AC, BC, GC, JAKE	SHOW)RICHMONE CO. BALLPARK STADIUM- STATEN ISLAND,		
14	15	16	17	18  AARON ARRIVES ORLANDO	19 LOU'S PARTY		
21	22	23	24	25	26		
DAY OFF	DAY OFF	DAY OFF	DAY OFF	AC, BOB, GINGER, TRACY ARRIVE RENO	(SHOW) NAT. VOLLEYBALL TURN RENO, NV DANCERS, MARK ARRIVE RENO		
28	29	30	May 2004		Jul 2004		
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	7 AC- FILMING IN LA  14  21 DAY OFF	1	Tuesday   Wednesday   1	Monday   Tuesday   Wednesday   Thursday	Trusday		

July 2004

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
6 7 13 14 20 21	Jun 2004  T W T F S  1 2 3 4 5  8 9 10 11 12  1 15 16 17 18 19  22 23 24 25 26  3 29 30	Aug 2004 S M T W T 1 2 3 4 5 8 9 10 11 12 15 16 17 18 19 22 23 24 25 26 2 29 30 31	6 7 13 14 20 21	DAY OFF	2 ALL FLY TO STERLING, MI	3 (SHOW) JEROME DUNCAN FORD THEATRE- STERLING, MI
4 ALL FLY HOME	5 DAY OFF	6 DAY OFF	7 DAY OFF	8 DAY OFF	9 DAY OFF	10 DAY OFF
11 DAY OFF	12	13	14	15	16	17
18  AARON FILMING "POP STAR" MOVIE	AARON FILMING "POP STAR" MOVIE	20 AARON FILMING "POP STAR" MOVIE	21  AARON FILMING "POP STAR" MOVIE	22  AARON FILMING "POP STAR" MOVIE	23  AARON FILMING "POP STAR" MOVIE	24  AARON FILMING "POP STAR" MOVIE
25 C.  AARON FILMING "POPT TAR" MOVIE 1	26  AARON FILMING "POP STAR" MOVIE	27 AARON FILMING "POP STAR" MOVIE	28  AARON FILMING "POP STAR" MOVIE	29 ALL FLY TO CLEVELAND, OH	(SHOW) INTERNATIONAL CHILDREN'S GAMES- CLEVELAND, OH	31 ALL FLY HOME



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4	5	6	7
DAY OFF	AARON-7TH HEAVEN TRACY FLY TO LA	AARON-7TH HEAVEN	AARON-7TH HEAVEN	AARON-7TH HEAVEN	ALL FLY TO BATON ROUGE, LA	(SHOW) DIXIE LANDIN- BATON ROUGE, LA.
(SHOW) BETHLEHEM MUSIKFEST- BETHLEHEM, PA,	9 AARON BACK TO LA ALL FLY HOME	10 AARON-7TH HEAVEN	11 DAY OFF	12 AARON-7TH HEAVEN	13 ALL FLY TO	14 (SHOW) FORK PARK- BEAUMONT, TX
15 ALL FLY HOME BOB FLY TO LA	16 AARON-7TH HEAVEN	17  AARON- AUDITION FOR AMERICAN PIE 4	18  AARON-7TH HEAVEN	19 AARON-7TH HEAVEN	AARON & BOB FLY TO LAS VAGAS FOR SORVINO ASTHMA FOUNDATION POOL TOURNAMENT	21 POOL TOURNAMENT
22 FLY HOME	23 DAY OFF	24 DAY OFF	25 DAY OFF	26 DAY OFF	POSSIBLE PHOTO SHOOT IN ORLANDO	28 DAY OFF
29 B (MIAMI) MTV MOVIE WARDS	30 DRIVE TO ORLANDO	RECORDING "RUN, RUDOLPH, RUN" W/ DAKARI @ T-CON	4 5 11 1: 18 1 <sup>1</sup>	Jul 2004  1 T W T F S  1 2 3  5 6 7 8 9 10  2 13 14 15 16 17  9 20 21 22 23 24  6 27 28 29 30 31		3 4 10 11 17 18 24 25

## September 2004



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
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9:25 PM DANCERS FLY TO LA (SHOW) ADDISON CIRCLE PARK- ADDISON, TX	AARON TO ORLANDO TO WRITE ALL FLY HOME	AARON WRITING (WRITERS TBA)	AARON WRITING (WRITERS TBA)	9 AARON WRITING (WRITERS TBA)	10 AARON WRITING (WRITERS TBA)	11  AARON WRITING (WRITERS TBA)
12 AARON WRITING (WRITERS TBA)	13  AARON WRITING (WRITERS TBA)	14  AARON WRITING (WRITERS TBA)	15  AARON WRITING (WRITERS TBA)	16  AARON WRITING (WRITERS TBA)	17  AARON WRITING (WRITERS TBA)	18  AARON WRITING (WRITERS TBA)
AARON WRITING (WRITERS TBA)	20 AARON WRITING (WRITERS TBA)	21  AARON WRITING (WRITERS TBA)	22 AARON WRITING (WRITERS TBA)	23  DANCERS FLY TO HAGERSTOWN, MD	24  (SHOW) MARYLAND THEATRE- HAGERSTOWN, MD  AC, TRACY, MARK, MIKE FLY TO HAGERSTOWN, MD	25 ALL FLY HOME
26 B	27 DAY OFF	28 DAY OFF	29 DAY OFF	30 DAY OFF		



CI	Manday	Tuesday	Wednesday	Thursday	Frîday	Saturday
Sunday	Monday	Tuesday	wednesday	Thursday		
	Sep 2004 SMTWT 1 2 5 6 7 8 9 12 13 14 15 16 19 20 21 22 23 26 27 28 29 30	F         S         S         M           3         4         1           10         11         7         8           17         18         14         15           24         25         21         22	Nov 2004 T W T F S 2 3 4 5 6 9 10 11 12 13 16 17 18 19 20 23 24 25 26 27		1	2
3	4	5 RECORD "SATURDAY NIGHT" @ T-CON	6 DAY OFF- ORLANDO	7 DAY OFF- ORLANDO	PHOTO SHOOT W/ MICHAEL CAIRNS- CRLANDO	9 DAY OFF- ORLANDO
10  AARON RETURN TO MARATHON	11 DAY OFF- MARATHON	12 AARON DRIVE TO ORLANDO	13 AARON & TRACY FLY TO NYC	14  PRESS/ CELEBRITY LUNCH LADY PRESS IN NYC	15 SHOWCASE FOR WARNER MUSIC IN NYC & LATE RETURN TO ORLANDO	16 DAY OFF
17 DAY OFF	ORLANDO DANCERS BEGIN REHEARSALS FOR DISNEY TOUR	AC/DAY OFF DANCERS REHEARSE IN ORLANDO	20 (SHOW) ARIZONA STATE FAIR PARK & EXPOSITION- PHOENIX, AZ ALL FLY DANCER DAY OFF	21 ALL FLY HOME DANCER DAY OFF	22 REHEARSAL FOR JINGLE JAM IN ORLANDO	23 REHEARSAL FOR JINGLE JAM IN ORLANDO
24  AARONELY TO LAS VEGAS W/ BRIZZEFOR RADIO FORUM	25  AARON @ RADIO MUSIC AWARDS- LAS VEGAS  DANCERS ONLY REHEARSAL IN ORLANDO	26  AARON RETURN TO ORLANDO  DANCERS ONLY REHEARSAL IN ORLANDO	27 REHEARSAL FOR JINGLE JAM IN ORLANDO	28 REHEARSAL FOR JINGLE JAM IN ORLANDO	29 REHEARSAL FOR JINGLE JAM IN ORLANDO	30 DAY OFF
31 B						



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Januay						
	REHEARSAL FOR JINGLE JAM IN ORLANDO	2 REHEARSAL FOR JINGLE JAM IN ORLANDO	3 REHEARSAL FOR JINGLE JAM IN ORLANDO	4 REHEARSAL FOR JINGLE JAM IN ORLANDO	5 ALL FLY TO PITTSBURG	JINGLE JAM (2 SHOWS)- SPRINGDALE JR/SR HIGH SCHOOL & ROSS PARK MALL- PITTSBURG, PA
JINGLE JAM (SHOW) BURLINGTON CENTER MALL- PHILADELPHIA PA	8 DAY OFF	9 REHEARSAL FOR FULL SHOW IN ORLANDO	10 REHEARSAL FOR FULL SHOW IN ORLANDO	11 REHEARSAL FOR FULL SHOW IN ORLANDO	JINGLE JAM (SHOW)- NEW ORLEANS ARENA (PRE-SHOW OUTSIDE) & NAT. ANTHEM W/ HALFTIME SHOW- NEW ORLEANS, LA	13 JINGLE JAM (SHOW) GREENSPIONT MALL- HOUSTON, TX
14 JINGLE JAM (SHOW)SUNSET STATION- SAN ANTONIO, TX	15 ALL FLY HOME	16 REHEARSAL FOR FULL SHOW IN ORLANDO	17 REHEARSAL FOR FULL SHOW IN ORLANDO	18 REHEARSAL FOR FULL SHOW IN ORLANDO	REHEARSAL FOR FULL SHOW IN ORLANDO	20  FLY TO JINGLE  JAM (SHOW)  SHOPS AT  LEGACY- DALLAS,  TX
JINGLE JAM (SHOW) UMAC CENTER W/ MEET & GREET @ EAST TULSA, DODGE-TULSA, OK	22 ALL FLY HOME	23 DAY OFF	24 DAY OFF	25 THANKSGIVING DAY	26  FLY TO JINGLE JAM (SHOW) DAVIDSON HIGH SCHOOL- FLINT, MI	27 JINGLE JAM (SHOW) PERANI ARENA - FLINT, MI
JINGTE JAM (SHOW) ARCIDIA THEATRE- CHICAGO, IL	(P M) REHEARSAL FOR FULL SHOW IN ORLANDO ALL FLY HOME	30 REHEARSAL FOR FULL SHOW IN ORLANDO	3 4 10 1 17 1	Oct 2004 4 T W T F S 1 2 4 5 6 7 8 9 1 12 13 14 15 16 8 19 20 21 22 23 5 26 27 28 29 30	Dec 2004 S M T W T 1 2 5 6 7 8 9 12 13 14 15 16 19 20 21 22 23 26 27 28 29 30	3 4 10 11 5 17 18 5 24 25



Sunday	Monday	Tuesday	Wednesday	Thuraday	Friday	Saturday
Nov 2004   S M T W T F S   S M T W T F S   1   2   3   4   5   6   7   8   9   10   11   12   13   14   15   16   17   18   19   20   21   22   23   24   25   26   27   28   29   30   31     3   3   3   3   3   3   3   3		REHEARSAL FOR FULL SHOW IN ORLANDO	2 REHEARSAL FOR FULL SHOW IN ORLANDO	FLY TO JINGLE JAM (SHOW) JAMES CENTER PLAZA- RICHMOND, VA	GREATER RICHMOND CHRISTMAS PARADE- RICHMOND, VA JINGLE JAM (SHOW) ALLEGANY HIGH SCHOOL- CUMBERLAND, MO	
JINGLE JAM (SHOW)PEPSI COLISEUM @ INDIANA STATE FAIRGROUNDS- INDIANAPOLIS, IN	6 ALL FLY HOME	AARON & DANCERS FLY TO VEGAS FOR PARTY/ REHEARSALS & BILLBOARD AWARDS  HAPPY BIRTHDAY AARONI!!	AARON @ BILLBOARD AWARDS REHEARSAL FOR FULL SHOW IN LAS VEGAS	AARON & DANCERS REHEARSAL FOR FULL SHOW IN LAS VEGAS	ALL FLY TO JINGLE JAM (SHOW)- SACRAMENTO, CA	JINGLE JAM (SHOW) SAN JOSE CONVENTION CENTER- SAN JOSE, CA
JINGLE JAM (SHOW) PERRY'S EGYPTIAN THEATRE- OGDEN, UT	13 ALL FLY TO KANSAS CITY, MO.	14 (SHOW) KMXV RADIO JINGLE BALL- KANSAS CITY, MO.	15 ALL FLY HOME	16 JINGLE JAM (SHOW)- ORLANDO, FL	JINGLE JAM (SHOW) UN CONVOCATION CENTER @ U of M- MIAMI, FL	JINGLE JAM (SHOW) CYPRESS GARDENS - WINTER HAVEN, FL
JINGLE JAM (SHOW) WILD ADVENTURES THEME PARK-VALOOSTA, GA	JINGLE JAM (SHOW)RITACCO CENTER- TOMS RIVER, NJ	21 ALL FLY HOME	22 DAY OFF	23 DAY OFF	24 CHRISTMAS EVE	25 MERRY CHRISTMASIII
26 PAC DRIVE TO ORGANDO DA OFF	27 200 AM -2.30 AM AC WAKE TRACY UP AND TRY TO CHANGE EVERYTHING REGARDING SINGLE PROMOTION FLY TO SYRACUSE	DRIVE TO ALLENTOWN AFTER SHOW JINGLE JAM (SHOW) SHOPPINGTOWN MALL- SYRACUSE, NY	29 12:00 PM -6 00 PM REHEARSAL ® HOTEL	(SHOW) CROCODILE ROCK CAFE- ALLENTOWN, PA	JINGLE JAM (SHOW) CITY HALL PLAZA @ GOVERNMENT CENTER- BOSTON, MA *** FLY T-CON JET TO ORLANDO AND PERFORM @ T-CON PARTY IN ORLANDO	



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	5 6 12 13 19 20	Dec 2004 T W T F S 1 2 3 4 7 8 9 10 11 14 15 16 17 18 21 22 23 24 25 28 29 30 31	Feb 2005 S M T W T 1 2 3 6 7 8 9 10 13 14 15 16 17 20 21 22 23 24 27 28	4 5 11 12 18 19		(AM) FLY TO HARTFORD, CT DRIVE TO FARMINGDALE, NY JINGLE JAM (SHOWHARTFORD CIVIC CENTER-HARTFORD, CT
2 DAY OFF IN FARMINGDALE, NY	3  (PM) FLY HOME W/ LOU (SHOW) DOWNTOWN- FARMINGDALE, NY	DAY OFF IN MARATHON	DAY OFF TO SURN UP CAR WARDROBE SHOPPING FOR PHOTO SHOOT	6 4:30 PM PHOTO SHOOT W/ MICHAEL CAIRNS	7 DAY OFF	8 DAY OFF
9 DAY OFF	10 DAY OFF	11 DAY OFF	12 AC IN T-CON STUDIO W/ NICK	13 AC IN T-CON STUDIO W/ NICK	14 AC IN T-CON STUDIO W/ NICK	15 DAY OFF
16 ac fly to la- writing w/	17 WRITING IN LA	18 WRITING IN LA	19 WRITING IN LA	20 WRITING IN LA	21 WRITING IN LA	HOLLYWOOD KNIGHTS CELEBRITY BASKETBALL GAME-LOS ANGELES, CA
23 PA* 93.56	24 TBA	25 TBA	26 TBA	27 TBA	28 SINGLE ARTWORK DUE	29 TBA
30 8	31 TBA				1	



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2	3	4	5
		A DAY OFF	3'00 PM -7:00 PM REHEARSAL @ T-CON STUDIO FOR FULL SHOW IN ORLANDO	3:00 PM -6:00 PM REHEARSAL @ T-CON STUDIO FOR FULL SHOW IN ORLANDO	3:00 PM -6:00 PM REHEARSAL @ T-CON STUDIO FOR FULL SHOW IN ORLANDO	(SHOW) HOUSE OF BLUES- CHICAGO, IL
AM- ALL FLY HOME SUPER BOWL SUNDAYI VIDEO PREP DAY	7 (VIDEO) "SATURDAY NIGHT"	(VIDEO) "SATURDAY NIGHT"	9 DAY OFF	AC, BOB, TRACY, BRIZZ FLY TO LA FOR RADIO PROMO & PRESS	11 (PRESS & PROMO) IN LA	12 (PRESS & PROMO) IN LA
AC @ 47th ANNUAL GRAMMY AWARDS- LOS ANGELES, CA	3 00 PM AC/LOU MEETING W/VH1 -N LA  (AM) TV INTERVIEW CN "GOOD DAY L-VE"- LA  (PM) AC/ BOB/ BRAD FLIGHT TO NEW YORK  HAPPY VALENTINES DAY!	15 (PRESS) TV INTERVIEWS IN NYC	16 11:00 AM (RADIO) MEET WI Z100 IN NYC	(AM) MARK, SCOTT, DANCERS FLY TO NEW HAVEN (SHOW) TOADS PLACE- NEW HAVEN, CT	18 (SHOW) KESWICK THEATRE- PHILADELPHIA, PA	(SHOW) BB KING'S- NEW YORK, NY  (TV PERFORMANCE) WEEKEND TODAY IN NY- NEW YORK, NY
20 (SHOW) LUPO'S © THE STRAND THEATRE. PROVIDENCE, RI	AC/ MICHAEL PATT DRIVE TO BOSTON FOR TV INTERVIEW ON XY TV MARK, SOUND, DANCERS FLY HOME	22 (PRESS) AC IN NYC	23 (PM) FLIGHT TO ATLANTA	24  DAY OFF IN ATLANTA	25 (SHOW) WARNER THEATRE- ERIE, PA	26 (SHOW) PALACE THEATRE- PITTSBURG, PA
27 C (SHOW), RECHER THEATRE- TOWSON, MO	28 ALL FLY TO LOS ANGELES		Jan 2005 S M T W T  2 3 4 5 6 9 10 11 12 1 16 17 18 19 2 23 24 25 26 2 30 31	S     F     S       1     5     7     8       3     14     15     13     14       0     21     22     20     21	Mar 2005 T W T F S 1 2 3 4 5 8 9 10 11 12 15 16 17 18 19 22 23 24 25 26 29 30 31	



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Feb 2 S M T V 1 2 6 7 8 5 13 14 15 1 20 21 22 2 27 28	V T F S 2 3 4 5 0 10 11 12 6 17 18 19	(SHOW) HOUSE OF BLUES- WEST HOLLYWOOD, CA RADIO ADD DATE	2 (SHOW) HOUSE OF BLUES- ANAHEIM, CA	(AM) AC FLY TO "POPSTAR" MOVIE PREMIERE- HOUSTON, TX DANCERS/ MARC/ SCOTT FLY HOME	4 (AM) FLIGHT TO LA (RECORDING) W/DAMON SHARPE IN LA	(AM) AC FLY TO BOSTON, MA (RADIO PROMO) LIVE ON-AIR "OPEN HOUSE PARTY"- BOSTON, MA
(AM) DRIVE OR FLY TO NYC  AC @ 6TH ANNUAL TJ MARTELL FOUNDATION "FAMILY DAY" CHARITY- NEW YORK, NY	7 DAY OFF	8 DAY OFF	9 DAY OFF	(CANCELED SHOW) THE STAIRCASE-PITTSTON TOWNSHIP, PA DAY OFF SHOW MOVED TO JUNE 17	11 (SHOW) PLYMOUTH MEMORIAE HALL- PLYMOUTH, MA	12 (SHOW) STARLAND BALLROOM- SAYERVILLE, NJ
13 ALL FLY HOME	14 DAY OFF	15 DAY OFF	16 DAY OFF	17 DAY OFF	18 DAY OFF	(AM) AC/TRACY FLY TO PHLADELPHIA, PA  (MEET & GREET) CLUB LISBY LU & KING OF PRUSSIA MALL- PHILAELPHIA, PA  (NAT.ONAL ANTHEM) MONSTER TRUCK SHOW- LAS VEGAS, NY
20 (TBA) AC/ TRACY FLY HOME	21 TBA	22 (SHOW) PROMO WEST PAVILLION- COLUMBUS, OH SINGLE IN STORES	23 (SHOW) CLUTCH CARGO- PONTIAC, MI	24 (PM) ALL DRIVE TO MILWAUKEE, WI (SHOW) ORBIT ROOM-GRAND RAPIDS, MI	8:00 AM (TV INTERVIEW) FOX 6 MORNING SHOW- MILWAUKEE, WI (SHOW) PABST THEATRE- MILWAUKEE, WI	26  (AM) TRACY/ AC FLY TO TOLEDO, OH  (IN-STORE) M & G 12:00PM @ FYE  (SHOW) BIJOU THEATRE- TOLEDO, OH
27 ALL FOX HOME BANDE YS TO OR ANDO	28  (REHEARSAL) "ENOUGH OF ME" W/ DARRYL  BAND IN T-CON STUDIO PREPARING SHOW TAPES	FULL REHEARSAL @ DISCOUNT MUSIC- ORLANDO	FULL REHEARSAL@ DISCOUNT MUSIC- ORLANDO	FULL REHEARSAL @ DISCOUNT MUSIC- ORLANDO	S M T  3 4 5 10 11 12 17 18 19	2005 W T F S 1 2 6 7 8 9 13 14 15 16 20 21 22 23 27 28 29 30



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	Mar 2005 S M T W T 1 2 3 6 7 8 9 10 13 14 15 16 17 20 21 22 23 24 27 28 29 30 31	F S S M 4 5 1 2 11 12 8 9 18 19 15 16 25 26 22 23	May 2005  T W T F S  3 4 5 6 7  10 11 12 13 14  17 18 19 20 21  24 25 26 27 28  31		(NOON) ACI TRACY/ AARON ACCETTA FLY TO PORTSMOUTH, NH ,PM) FLY HOME (RADIO SHOW) 2 ACOUSTIC SONGS A JUGGE WERZ RADIO TALENT SEARCH- PORTSMOUTH, NH FULL REHEARDAL & DISCOUNT HUSIG- ORLANDO	2 (IN-STORE) M & G 1 30PM @ FYE- FLORIDA MALL (SHOW)HARD ROCK LIVE- ORLANDO, FL
(NATIONAL ANTHEM) ORLANDO PREDATORS VS. LOS ANGELES AVENGERS- ORLANDO, FL	4 BRITTANY, AC FLY TO LA- VACATION	5 DAY OFF	6 DAY OFF	7 DAY OFF	(AM) MARC FLY TO LA (PHOTO SHOOT) WITH RENA DURHAM FOR TEEN MAGS- LOS ANGELES, CA	(AM) SCOTT/ DANCERS FLY TO CA (RADIO SHOW) KHOP- MODESTO, CA
10 ALL FLY TO CANTON, OH	(RADIO SHOW) WZKL- CANTON, DH	AC IN STUDIO ALL FLY HOME	AC IN STUDIO DAY OFF	14 AC IN STUDIO DAY OFF	15 (SHOW) BOGART'S- CINCINNATI, OH	(IN-STORE) M& G 1:30PM @ FYE (SHOW) HOUSE OF BLUES- CLEVELAND, OH
17 ALL FLY HOME	18 DAY OFF	19 DAY OFF	20 1:00 PM (INTERVIEW) 20/20 @ LOU'S HOUSE	21 (SHOW) RICCOCO THEATRE- LINCOLN, NE	22 (show) val air ballroom- des moines, ia	23 (IN-STORE) M & G 1:30PM @ WAL MART- DILWORTH, MN (SHOW) FARGO THEATRE- FARGO, ND
(SHOW) QUEST CHIE: MINNEAPOLIS,	25 ALL FLY HOME	26 DAY OFF	27 DAY OFF	28 (REHEARSAL) ACOUSTIC W/ AARON ACCETTA	(EVENT) KMXV LISTENER APPRECIATION DINNER- KANSAS CITY, KS	30 DAY OFF

May 2005

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Junuay						
TRACY, AC, AARON ACCETTA FLY TO ROANOKE, VA	(RADIO SHOW) 2 SONG ACOUSTIC W/ AARON ACCETTA FOR WXLK- ROANOKE, VA	3 DAY OFF	4 DAY OFF	5 TBA	(RADIO SHOW) WDKF- DAYTON, OH	7 (RADIO SHOW) WABB- MOBILE, AL
AC/ MARC FLY TO LITTLE ROCK, AR	9 (EVENT) NYPD GRAND OPENING-LITTLE ROCK, AR	10 (REHEARSAL) FOR REGIS & KELLY	(HOLD FOR TV) LIVE W/ REGIS & KELLY @ DISNEY MGM- ORLANDO, FL	12 DAY OFF	13 DAY OFF	(IN-STORE) M & G 1:00PM @ FYE (SHOW) PARAMOUNT THEATRE- DENVER, CO
15 ALL FLY HOME	16 DAY OFF	17 DAY OFF	AC, AARON ACCETTA, BRIZZ FLY TO ANCHORAGE, AS	(RADIO SHOW) 2 SONG ACCUSTIC & KGCT- ANCHORAGE, AK	(AM) FLY TO ASHLAND, OR (RADIO SHOW) 2 SONG ACQUSTIC & KIFS- ASHLAND, OR	21  AC FLY TO RICHMOND, VA  MARC FLY TO RICHMOND, VA
(RADIO SHOW) WRVQ FAMILY FUN DAY- RICHMOND, VA  TRACY. DANCERS, SCOTT FLY TO RICHMOND, VA	23  DAY OFF IN RICHMOND-GOING TO BUSH GARDENS	24  (TV) WSVN FOX MIAM - JUDGE FINAL NIGHT OF AMERICAN IDOL- MIAMI, FL  AC, TRACY FLY TO MIAMI  DANCERS FLY TO MINNEAPOLIS, MN	(AM) AC FLY TO MN.  (SHOW) 1 SONG/ HALFTIME & 45MIN. SET POST GAME & WNBA MINNESOTA LYNX GAME- MINNEAPOLIS, MN	26 ALL FLY TO ALLENTOWN, PA	(RADIO SHOW) B104 NIGHT AT MAYFAIR @ CEDAR BEACH PARK- ALLENTOWN, PA	28 TRAVEL DAY
29 8 (RADIL SHOW) VIEW- NASHVILLE, TN	30 ALL FLY HOME DAY OFF	31 DAY OFF	3 4 10 1 17 1	Apr 2005  A T W T F S  1 2  4 5 6 7 8 9  1 12 13 14 15 16  8 19 20 21 22 23  5 26 27 28 29 30		3 4 10 11 17 18 24 25



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
May 2005 S M T W T 1 2 3 4 5 8 9 10 11 12 15 16 17 18 19 22 23 24 25 26 29 30 31	F S S M  6 7 2 13 14 3 4 9 20 21 10 11 5 27 28 17 18	Jul 2005  T W T F S  1 2  5 6 7 8 9  12 13 14 15 16  19 20 21 22 23  26 27 28 29 30	1 DAY OFF	2 DAY OFF	3 DAY OFF	(RADIO SHOW) KSMB- LAFAYETTE, LA
(RADIO SHOW) ACOUSTIC W/ AARON ACCETTA @ WAEV KIDD KRADDICK CHARITY SHOW- SAVANNAH, GA	6 DAY OFF	7 DAY OFF	8 DAY OFF IN GA.	9 DAY OFF IN GA.	10 day off in ga.	(IN-STORE) M & G 1:00PM @ FYE (SHOW) HARBOR FEST- NORFOLK, VA
12 (RADIO SHOW) WNTQ "BALOON FEST". SYRACUSE, NY	13 DAY OFF	14 DAY OFF	15 DAY OFF	16 DAY OFF	17 LOU'S 51st BIRTHDAY PARTY- CHURCH ST. BALLROOM	18 (RADIO SHOW) WFLY (FLY 97)- ALBANY, NY
ALL RETURN HOME	20 4:00 PM -10:00 PM REHEARSAL @ T-CON	21  10:30 AM (AUDITION) ONE TREE HILL- WEST PALM BEACH, FL 4:00 PM -10:00 PM REHEARSAL @ T-CON	22 4:00 PM -9:00 PM REHEARSAL @ T-CON	23 4:00 PM-9:00 PM REHEARSAL @ T-CON	(RADIO SHOW) ACOUSTIC W/ AARON ACCETTA @ KSXY BIRTHDAY BASH- SNOOPY ICE ARENA- SANTA ROSA, CA	25 (SHOW) DIXIE LANDIN THEME PARK- BATON ROUGE, LA
26 B (RADIO SHOW) WXYH BILOXI,	27 TRAVEL DAY	28 (radio show) wgen- birmingham, al	29 (PRESS) NYC	30 (PRESS) NYC		

July 2005

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	S M T W T 1 2 5 6 7 8 9 12 13 14 15 16 19 20 21 22 23 26 27 28 29 30	F     S     S     M       3     4     1       10     11     7     8       17     18     14     15       24     25     21     22	Aug 2005  T W T F S 2 3 4 5 6 9 10 11 12 13 16 17 18 19 20 23 24 25 26 27 30 31		(SHOW) HAMPTON BEACH CASINO BALLROOM- HAMPTON BEACH, NH	(RADIO SHOW) KMXV @ VERIZION WIRELESS AMPHITHEATRE- BONNER SPRINGS, KS
3 (RADIO SHOW) WFBC- GREENVILLE- SC	(AM RADIO SHOW) WWKZ- TUPELO, MS (PM RADIO SHOW) EVENING WFLZ-TAMPA, FL	5 DAY OFF	6 DAY OFF	7 DAY OFF	8 DAY OFF	9 (RADIO SHOW) KJYO- OAKLAHOMA CITY, OK
10 (SHOW) SIX FLAGS GREAT AMERICA- GURNIE, IL	11 AC, TRACY FLY TO BEIJING, CHINA	12 (PROMO) AC/ TRACY/ BOB/ DANCERS- BEIJING, CHINA	13 (PROMO) AC/ TRACY/ BOB/ DANCERS- BEIJING, CHINA	AC/TRACY FLY TO CHICAGO, IL BOB/ DANCERS FLY TO ORLANDO	(EVENT)*N SYNC CHALLENGE FOR THE CHILDREN- CHICAGO, IL	16 (EVENT)*N SYNC CHALLENGE FOR THE CHILDREN- CHICAGO, IL
17 ALL FLY HOME	18 DAY OFF	19 DAY OFF	20 DAY OFF	21 DAY OFF	(RADIO SHOW) WPST @ SIX FLAGS NJ W/ TYLER HILTON- JACKSON, NJ	23 ALL FLY HOME
24  DAYOFF  CO	25 DAY OFF	26 (radio show) wkxj- chattanooga, tn	27 ALL FLY HOME DAY OFF	28 FLY TO SYRACUSE, NY	(SHOW) OSWEGO HARBORFEST W/ RADIO DISNEY- SYRACUSE, NY ALL FLY HOME	30 DAY OFF
31 g						



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1 DAY OFF	2 DAY OFF	DAY OFF IN ORLANDO (EARLY FLIGHT TOMORROW)	4 (show) sea world- san diego, ca	5 TB FLY TO ORLANDO TRAVEL DAY- ALL FLY TO ATLANTA	6 (SHOW) SIX FLAGS OVER GEORGIA- ATLANTA, GA
RADIO SHOW) WWYL "2005 WILD 104 SUMMER JAM"- BINGHAMTON, NY	(PROMO) PERFORM "SATUR DAY NIGHT" @ "MISS TEEN USA" COMPETITION- BATON ROUGE, LA	9 ALL FLY HOME	10 DAY OFF	11 DAY OFF	(EARLY AM) ALL FLY TO NYC FOR "SUPERCROSS" PRESS	13  (PM) DANCERS FLY HOME  (PM) TB, AC FLY TO LOS ANGELES, CA  (PRESS) CBS EARLY SHOW "SAT. MORNING CAFE"- NYC, NY
14 DAY OFF IN LA	15  (PM) TB, AC, DS FLY TO SAGINAW, MI FROM LA (PRESS) PREMIER FOR "SUPERCROSS"- LOS ANGELES, CA	(AM) DANCERS FLY TO SAGINAW, MI FROM ORLANDO (RADIO SHOW) WIOG RADIO SHOW- SAGINAW, MI	17 ALL FLY HOME	18 DAY OFF IN ORLANDO	AC, AA FLY TO LITTLE ROCK, AR	(AM SHOW) "ACOUSTIC"KLAL FAMILY FUN DAY- LITTLE ROCK, AR  (AM) TS, DANCERS, DJ FLY TO MYRTLE BEACH, SC  (PM SHOW) HOUSE OF BLUES- MYRTLE BEACH, SC
(SHOW) "ACOUSTIC" RICH CRONIN BENEFIT CONCERT- ORLANDO, FL ALL RE HOME	22 DAY OFF	23 DAY OFF	24 DAY OFF	25 DAY OFF	26  AC, BZ FLY TO MIAMI, FL  TB, BG DRIVE TO MIAMI, FL	27 (PROMO/PRESS) AC, BRIZZ, TRACY, BRAD- RADIO FORUM FOR MTV MUSIC AWARDS-MIAMI, FL
28 G (EVENT) MTV MUSIC AWARDS	29 ALL FLY HOME DAY OFF	30 DAY OFF	31 (EVENT) FILMING PENN & TELLER SPECIAL- NASSAU, BAHAMAS	Jul 2005 S M T W T  3 4 5 6 7 10 11 12 13 1 17 18 19 20 2 24 25 26 27 2 31	F     S       1     2       7     8     9       4     15     16       1     12     23       18     19	Sep 2005 T W T F S 1 2 3 6 7 8 9 10 13 14 15 16 17 20 21 22 23 24 27 28 29 30

September 2005

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1 7 8 14 15 21 22		Oct 2005 S M T W T  2 3 4 5 6 9 10 11 12 13 16 17 18 19 20 23 24 25 26 27 30 31	1 7 8 14 15 21 22	(EVENT) FILMING PENN & TELLER SPECIAL- NASSAU, BAHAMAS	2 (EVENT) FILMING PENN & TELLER SPECIAL- NASSAU, BAHAMAB	3 (EVENT) FILMING PENN & TELLER SPECIAL- NASSAU, BAHAMAS
AC & PHIL RETURN HOME	5	6	7	8	9	10
	DAY OFF	DAY OFF	DAY OFF	DAY OFF	DAY OFF	DAY OFF
11	12	13	14	15	16	17
DAY OFF	DAY OFF	DAY OFF	DAY OFF	DAY OFF	DAY OFF	DAY OFF
18 (AMTHEM) TAMPA BAY BUCCANEERS- TAMPA, FL	19 DAY OFF	(STUDIO) WRITING @ T-CON	21 (STUDIO) WRITING @ T-CON	22 (STUDIO) WRITING @ T-CON	23 DAY OFF	24 DAY OFF
25 B	26	27	28	29	30	
DAY OFF	DAY OFF	DAY OFF	day off	DAY OFF	DAY OFF	



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	4 5 11 12 18 19	Sep 2005 T W T F S 1 2 3 6 7 8 9 10 13 14 15 16 17 20 21 22 23 24 27 28 29 30	Nov 2005 S M T W T 1 2 3 6 7 8 9 10 13 14 15 16 17 20 21 22 23 24 27 28 29 30	4 5 11 12 18 19		(SHOW) RADIO DISNEY- MACOMB COLLEGE- DETROIT, MI
(MEET & GREET) WIOG- NC.	3 DAY OFF	4 DAY OFF	5 DAY OFF	6 DAY OFF	7 DAY OFF	8 DAY OFF
9 DAY OFF	10 DAY OFF	11 DAY OFF	12 DAY OFF	13 DAY OFF	14 DAY OFF	15 DAY OFF
16 DAY OFF	17 DAY OFF	18 DAY OFF	19 DAY OFF	20 DAY OFF	21 DAY OFF	22 DAY OFF
23 DAYOFF	24 DAY OFF	25 DAY OFF	26 DAY OFF	27 DAY OFF	28 DAY OFF	29 DAY OFF
30 B	31 DAY OFF					



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This website is part of Not-Like-You.com and the place to find everything about the House of Carters reality show. Come back for news, photos, downloads and more:

#### Nick, Aaron Carter Show Off Their Rivalry July 13, 2006

Nick and Aaron Carter came to blows inside their home on Monday, the night before the two brothers announced their new E: reality show House of Carters at the Television Critics Association gathering in Los Angeles.

Asked the reason for the physical display of sibling rivalry, Nick replied, "Ah, we're brothers, it happened."

Expanding upon that, Aaron, lifting the bangs over his forehead to expose a bruise near the hairline above his left eye, sald, "Yeah, we're brothers, but this time  $\dots$ "

Nick interjected, "Aaron jumped me and I jumped him back." He then explained the fight was "over a little misinterpretation." Read More...

comments (4)

#### TV Critics' Press Tour July 13, 2006

Shannen Doherty cried. So did Dan Rather. Nick Carter raged, while brother Aaron showed the goose egg brother Nick gave him after an argument the night before.

Oh, and televange.ists  $\mbox{J}\,\mbox{m}$  and Tammy Faye Bakker's boy Jay is all grown up, gone punk and preaching on podcasts.

Put it all together, and it spells just another day of fun for TV critics covering the annual summer press tour when the networks put on a real circus of the stars — or at least some people who have been on the covers of supermarket rags.

 $[\ldots]$  Nick Carter wants everyone to know that the Backstreet Boys are still around and ready to tour. Read More..

EXHIBIT W

comments (3)

#### Welcome to HouseOfCarters.com

July 13, 2006

Welcome: HouseOfCarters.com is part of NLY.com and was created to provide viewers of the show with a place where they can come for all the latest news on the Carters. HOC is not a family fansite, it's directed towards the show only.

Here you will find news, photos, videos and promotional stuff to spread the word to your friends. Once the show premieres we will have every episode for download as well as episode recaps and high quality captures.

Some pages are still being worked on and content will be added and changed in the next few days, so come back and check them out.

Thanks for visiting and enjoy your stay.

comments (12)

<< Previous 1 2 Next >>

. 14 in the House of Carters

8,703



### Aaron carter

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This website is part of Not-Like-You.com and the place to find everything about the House of Carters reality show. Come back for news, photos, downloads and more!

#### New Videos!

July 18, 2005

Download tonight's segment from *The Insider* and an interview from *The Insider Online* at the videos page. *Thanks to SueJ & Sabrinia for the second one.* 

comments (0)

## Inside the 'House of Carters'! July 18, 2006

At age 20, Backstreet Boy Nick Carter was an object of lust for teenage girls and one of People magazine's "50 Most Beautiful People." But back home, his parents' marriage was crumbling and he says he and his four siblings turned to each other for support.

"We came from a household that was broke and a lot of fighting and a lot of drama in the house," Nick says. "The only people we could connect with were each other. Every time I was away, coming home to them was the thing I would look forward to."

Now at age 26, Nick has turned his colorful home life into a new reality TV show called "House of Carters." The series, debuting this October on the E! channel and co-produced by the makers of "The Osbournes," stars the towheaded singer and his siblings. Read More...

comments (0)

#### "The Insider" Preview July 17, 2006

The Carters will be featured on *The Insider* tomorrow, check your local listings for the channel and time it will air in your area. Download a short preview here, come back tomorrow for the full segment.



Oh Brother (and Sister and Brother. . .) July 17, 2006

I barely nad arrived in this land of celebs and my ears were still sensitive from the flight from San Antonio when I got a rude awakening: famous siblings bickering at each other about dog poop. No kidding. The El network has decided to capture the reunion of Nick Carter of "Backstreet Boys" fame, his recording star brother, Aaron, and their three sisters under one roof and turn the cameras on them. Seems they had a dysfunctional childhood and Nick, the oldest, wanted to make up for that by bringing the whole clan closer together...with television cameras blazing. How sweet, how intimate...OK, OK.

The reality show will be called "The House of Carters" and will debut on E! in October. If one argument among the five is any indication of the fun ahead, well, uh, I can't wait. When one critic wondered if there were any house rules, the siblings started hissing at each other. Read More...

comments (7)

New Video July 14, 2006

WBFS-33 news in Miami reported on the fight between Nick and Aaron during the taping of House Of Carters this past Monday. Click here to watch the video, make sure your browser allows pop up pages. Thanks to misha.

Update: Download the video here. Thanks to bsb\_aj\_rocks1 @ DLS.

comments (13)

Promo Shot July 14, 2006

First promo shot of the family.



comments (15)

New Photos July 13, 2006

Cable Television Cr.tics Association Press Tour, July 11, 2006.





comments (6)

#### Welcome Back Carters

July 13, 2006

Did you have a troubled childhood? Is your family a dysfunctional mess? Where better to sort it all out than in front of millions of people on TVI

That seems to be the trend this press tour.

Monday, Danny Bonaduce and Shannen Doherty were at the press tour turning their gossip column troubles into cable TV shows. On Tuesday, Backstreet Boy Nick Carter and his younger brother Aaron were on hand to promote House Of Carters, a new Osbornes-like series premiering this fall on E! Entertainment.

The eight-part reality series spies on the pair plus their three female siblings — Leslie (who was trying to launch a singing career in Toronto), Angel and Bobbie Jean — as they escape the clutches of their estranged parents and all live together in Nick's California home. Think of it as Party Of Five Damaged Kids. Read More...

comments (4)

#### Nick And Aaron Carter Get Real

July 13, 2006

Can there be a reality show with a more dysfunctional family than - say - the Osbournes? Oh yes there can!

That show is "House of Carters" featuring Backstreet Boy Nick Carter's wild and wacky family, which premieres on E! in October.

In the weekly series, Nick invites his younger brother Aaron and their three sisters to move in to one house and try to become a family again. Big brother Nick sees it as his job to nelp his younger siblings form strong bonds and help each other pursue their professional and personal dreams.

The Carters' legal battles have been tabloid fodder for years. Their parent's contentious divorce, Nick's arrest for driving under the influence, Bobble Jean's arrest for assault and Aaron's petition for legal emancipation from his manager/mother (which he later withdrew) are just some of the stories that have made headlines. Read More...

comments (3)

#### Nick, Aaron and Family

July 13, 2006

Backstreet Boy Nick Carter maintains that he's not the father to his four younger siblings in "House of Carters." The reality series puts the five Carters, including pop star Aaron, under the same roof.

"We've come from a broken family that's been in the spotlight," Nick said Tuesday. "I think to connect to my family better would be to be the big brother, to not be a father figure."

After all, all five Carters are adults: Nick is 26. Bobbie Jean, who is 24, has no interest in show business and wants a career in cooking. Leslie, 19, is striving for a music career. Angel, who is 18 and Aaron's twin, hopes to be a model.

"House of Carters" debuts in October on E! Entertainment. The Carters promoted the series to TV critics who are in Pasadena, Calif., to preview the fall lineup. Being in front of the cameras is no sweat for the Carters. Read More...

comments (6)

<< Previous 1 2 Next >>



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#### **Welcome Back Carters**

July 13, 2006

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Is your family a dysfunctional mess?

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Nick, 26, insists he was no father figure, more of a big brother (with unlimited credit).

He calls his parents "selfish" and suggests they were too focused on pushing his brother and him into showbusiness. Nick was 12 when he began singing with the Backstreet Boys.

Aaron's career began at age seven.

Their parents' divorce tore the family apart, with one sister living with mom and the others with dad.

So why is getting back together under one roof a good idea for a TV show?

"We came from a lot of fighting and stuff like that, so the only way we knew to communicate was to fight and to be, you know, very loud," says Nick.

Apparently that wil. be hugely entertaining. [source]



# Mileage Calculator Results

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Reporting
Eliminate paper
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reports online
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The distance from Orlando, Florida to Marathon, Florida is approximately 264.0 miles (424.9 km).

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# Mileage Calculator Results

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The distance from Orlando, Florida to Marathon, Florida is approximately 264.0 miles (424.9 km).

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Supervise and
process travel
expenses in
realtime.
www.ExpenseWatch.com

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www.1st-Choice-CreditCards.com

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## VERIFICATION OF PETITION TO APPROVE CONTRACT OF MINOR

I, Gregory McDonald, declare:

ľ8

I am the President of Trans Continental Records, Inc., the Petitioner in the within matter. I have read the foregoing Petition and have personal, first hand knowledge the facts alleged therein. It know the facts alleged in the Petition are true except for those matters stated on information and belief and, as to those maters, I believe them to be true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 5 day of February 2005 at Orlando (cipy), Florida (state

## Nguyen, James D.

From: Michael

Michael Holtz [mholtz@lavelysinger.com]

Sent:

Thursday, May 25, 2006 12:35 PM

To:

Nguyen, James D.

Subject: RE: Trans Continental Records v. Aaron Carter

## James:

I will accept service on behalf of Aaron Carter. Please send me copies of the summons and complaint, and we will confirm the date for Mr. Carter's response thereafter.

## Best,

## Michael

----Original Message----

From: Nguyen, James D. [mailto:JNguyen@foley.com]

**Sent:** Tuesday, May 23, 2006 5:34 PM **To:** jorge.hernandez-torano@hklaw.com

Cc: Michael Holtz

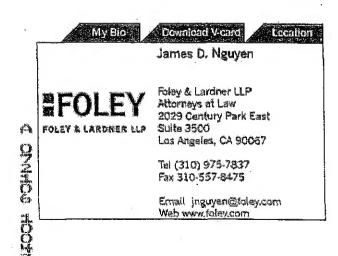
Subject: RE: Trans Continental Records v. Aaron Carter

From the Desk of: James D. Nguyen



Thank you; I will follow up with Michael.

Michael -- please let me know if you will accept service of summons on behalf of Aaron Carter.



RINFO

----Original Message-----

From: jorge.hernandez-torano@hklaw.com [mailto:jorge.hernandez-torano@hklaw.com]

Sent: Tuesday, May 23, 2006 3:04 PM

To: Nguyen, James D.

Cc: mholtz@lavelysinger.com

Subject: RE: Trans Continental Records v. Aaron Carter

James,

Please contact Michael Holtz of Lavely & Singer in Los Angeles at (310) 556-3501 in connection with this matter. I have copied Michael on this email.

Regards.

## Holland+Knight

Jorge L. Hernandez-Toraño, Esq. Holland & Knight LLP 701 Brickell Avenue, Suite 3000

Miami, Fiorida 33131

Main

305-374-8500

Direct

305-789-7721

Fax Email 305-789-7799

Website

www.hklaw.com

From: Nguyen, James D. [mailto:]Nguyen@foley.com]

jorge.hernandez-torano@hklaw.com

Sent: Monday, May 22, 2006 6:17 PM To: jorge.hernandez-torano@hklaw.com

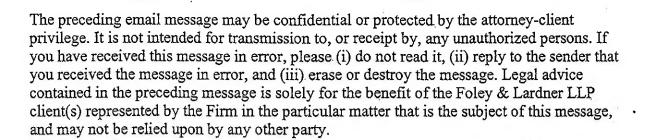
Subject: Trans Continental Records v. Aaron Carter

Jorge -- this will confirm the voice mail I left for you. As I explained, we represent Trans Continental Records. We filed an action against Aaron Carter in the Los Angeles Superior Court, seeking declaratory relief to enforce his recording contract with Trans Continental (given the disputes over Aaron's attempt to cancel or void various agreements he has with the Trans Continental companies).

Please let me know if you will accept service of the summons and complaint on behalf of Mr. Carter. I attach a courtesy copy of the summons and complaint (without exhibits) for your reference. If you need, I can overnight mail you a copy of the complaint with all exhibits.

In this case, I think it makes sense for you to accept service, and look forward to your response.

My contact information is below.



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## Nguyen, James D.

From:

Nguyen, James D.

Sent:

Monday, June 05, 2006 2:03 PM

To:

'Michael Holtz'

Subject: RE: Transcon/Carter

Thanks for the confirmation.

----Original Message----

From: Michael Holtz [mailto:mholtz@lavelysinger.com]

Sent: Friday, June 02, 2006 7:20 PM

To: Nguyen, James D. Subject: Transcon/Carter

James:

I thought I had signed and returned the Notice and Acknowledgment re service, but that's fine, service was made on May 26.

Regards,

Michael

MICHAEL D. HOLTZ, ESQ.

LAVELY & SINGER

PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

2049 Century Park East, Suite 2400

Los Angeles, California 90067-2906 Telephone: (310) 556-3501 Facsimile: (310) 556-3615

Website: www.lavelysinger.com E-Mail: mholtz@lavelysinger.com

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